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# The NATIONAL UNDERWRITER

*Life Insurance Edition*

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## Until the littlest one is grown... they'll need *money every month*

If a son is born, a father has to figure on when he plans to protect his family... the many years of insurance and savings may have to last.

Every month, if you weren't there, he would still be bills for your wife to pay. For a few years, bills for food and clothes and shelter for your youngsters. Then, piled on, bills for the education you want them to have. Not until the littlest one is grown would there be a let-up in the need for *money every month*.

Wouldn't you like to leave them \$100 every month for 20 years? ... and then, in addition, a generous fund to keep your wife independent and secure as long as she lives?

You can arrange all that right now if you can afford \$6.6 a week or more! A simple pos-

**YOU CAN LEAVE**  
your family a sure income of  
**\$100 EVERY MONTH**  
if you're earning \$45  
a week or more

To keep your family together... to cover the inescapable after-month expenses... to care for your children through school... \$100 a month for them, maturing twenty years. Then a fund to support your wife as long as she lives! Or you can arrange for \$75 or \$50 a month... or

Check up on this plan, devised by Union Central Life—a 63-year-old company offering all approved plans in life insurance with over a billion dollars in force.

The coupon will bring you, by mail, an interesting booklet that shows you clearly just how much protection this new plan lets give your family, by providing money you'll need it—*every month*, instead of a lump sum. Send the coupon today. It will obligate you in any way.

THE UNION CENTRAL LIFE INSURANCE COMPANY  
Cincinnati, Ohio

Please mail the booklet that explains clearly how I can give my family the vital protection of *money every month*.

(The ad is a full page in June 6th Post, June 22nd Time)

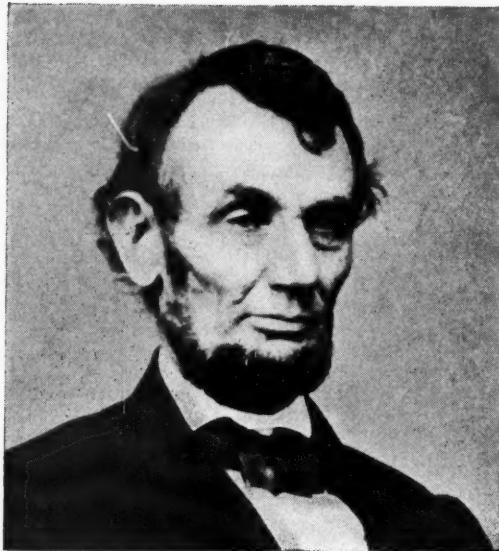
PROBABLY there's no faster way to jar a prospect out of his complacency than to point out how *many* years remain before his children will be grown and ready to support themselves . . . and how *few* years his present insurance would furnish the necessary *money every month* to pay their inescapable bills.

The ad shown above will make many a top-notch insurance prospect aware that he has this very serious problem. And it will also show him a practical, made-to-order solution—the new Multiple Protection Plan, whereby even men on very moderate salaries can leave *money every month for 20 years*.

Many of these good prospects will write in for further information on Multiple Protection . . . many more will be ready to "talk turkey" next time a Union Central field representative calls.

The  
**UNION CENTRAL**  
Life Insurance Company  
CINCINNATI, OHIO

THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill. Fortieth year. No. 25. Friday, June 19, 1936. \$3.00 per year, 15 cents per copy. Entered as second class matter, June 9, 1900, at the post office at Chicago, Ill., under act of March 3, 1879.



THE LINCOLN NATIONAL LIFE INSURANCE COMPANY PROVIDES ITS FIELDMEN WITH:

## OUTDOOR ADVERTISING

At varied periods throughout the year, 24-sheet outdoor advertising posters bearing the Company name and the general agency name are shown in key cities.

These posters have a potential audience of 16,300,000 people every day they are on the outdoor advertising boards.

## THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

FORT WAYNE, INDIANA

18th in insurance in force of all life companies in the U.S.

Surplus to protect policyholders Dec. 31, 1935—\$6,776,000

ITS NAME INDICATES ITS CHARACTER

# The NATIONAL UNDERWRITER

Fortieth Year—No. 25

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JUNE 19, 1936

\$3.00 Per Year, 15 Cents a Copy

## Group Life Now Makes Big Strides

Passes Other Branches of Business Due to Social Security Emphasis Today

### REASONS ARE ANALYZED

Say Employers Ward Off Demands for Wage Increases by Urging Protection on Employees

NEW YORK, June 18.—Group insurance's rapid production rise, as contrasted with the ordinary and industrial branches, has been a source of considerable speculation to insurance men who were a little skeptical about believing the average employer had suddenly turned altruist to the extent indicated by the group figures.

Employers are under no compulsion to tell all that is in the back of their minds when they decide to take on new group insurance or increase their existing lines. Perhaps no reason at all is given, or maybe the ostensible reason is not the real one. The employer may not even be aware of what it is that has swung him over to the group insurance idea.

#### Two Outstanding Reasons

Two factors, however, both of them tied up with the social security act, have been mentioned here and there by employers and perhaps have been more weighty considerations among other and more taciturn group life insurance buyers than has been generally thought.

One of these is that employers are worried about demands for wage increases when payroll deductions for old-age pensions and unemployment reserves begin. Casting about for ways of forestalling such demands, it has occurred to some employers that one way to enable the employee to offset his reduced pay envelope is to make it possible for him to buy life insurance cheaper than he can get it on the industrial plan, the way in which he would almost certainly buy it otherwise.

#### Requires Less Premium

Of course, group insurance is yearly renewable term insurance, while industrial insurance has cash values after a certain number of years. At the same time, on a comparison of face amounts, industrial costs about \$50 a year per \$1,000 for ordinary life while group may cost the employee as little as \$7.20 a year per \$1,000. Dividends will reduce both these figures, and reduce industrial probably by a larger percentage than group. Group, with its avoidance of weekly house-to-house collections and small-unit business, has an inherent advantage over industrial on the cost angle. The saving in monthly insurance outlay conceivably could be a very effective answer to employees' demands

## New May Life Insurance Shows 2.9 Percent Gain

NEW YORK, June 18.—New life insurance production during May was 2.9 percent more than for May of 1935, while the total for the first five months of this year was 4.2 percent less than for the corresponding period of last year, according to the Life Presidents Association.

For May, new business of all classes was \$753,410,000 against \$732,188,000 during May, 1935. New ordinary insurance amounted to \$463,816,000 against \$466,634,000, decrease 6/10 of one percent. Industrial and group insurance both showed increases. The former was \$230,464,000 against \$215,323,000, increase 7 percent and the latter was \$59,130,000 against \$50,231,000, increase 17.7 percent.

For the first five months, total new business was \$3,619,983,000 against \$3,779,050,000 last year, decrease 4.2 percent; ordinary \$2,269,718,000 against \$2,528,933,000, decrease 10.2 percent; in-

dustry \$1,126,230,000 against \$1,084,044,000, increase 3.9 percent; group \$224,035,000 against \$166,073,000, increase 34.9 percent.

Ordinary and total paid-for business written in each for the first five months of 1935 and 1936, and percentage increases or decreases, are shown in the following table:

Month	Ordinary Insurance		Inc. or Dec. Pct.
	1935	1936	
Jan.	\$ 601,300,000	\$ 447,181,000	-25.6
Feb.	490,193,000	422,587,000	-13.8
Mar.	502,619,000	473,758,000	-5.7
Apr.	468,187,000	462,376,000	-1.2
May	466,634,000	463,816,000	-1.6
	\$2,528,933,000	\$2,269,718,000	-10.2
Total Insurance			
Jan.	\$ 824,903,000	\$ 681,506,000	-17.4
Feb.	719,598,000	665,140,000	-7.6
Mar.	768,491,000	775,982,000	1.0
Apr.	733,870,000	743,945,000	1.4
May	732,188,000	753,410,000	2.9
	\$3,779,050,000	\$3,619,983,000	-4.2

### H. C. Parker Is Appointed as Georgia Commissioner

ATLANTA, June 18.—Governor Talmadge has removed C. B. Carreker from the office of comptroller general and insurance commissioner of Georgia and appointed H. C. Parker to serve for the unexpired term. Carreker was given a lesser job as revenue commissioner.

At the last election, Mr. Parker ran for the office of comptroller general but was beaten by W. B. Harrison, who held the office until ousted by Governor Talmadge.

Both Harrison and Parker will be candidates for the office of comptroller general and insurance commissioner at the next election and it is understood that Governor Talmadge made the move to give Parker a chance to get his hand in.

that their payroll deductions be made good by wage increases.

Another consideration that has been encountered is the abhorrence of some extremely conservative employers to have anything to do with any sort of deduction from employees' pay envelopes. This feeling goes back to the days when rascally factory or mill owners would charge every conceivable item of breakage or spoilage to the employee responsible. Disgust of the higher type of employer for this sort of racket gave them an antipathy toward any sort of deduction, even so obviously desirable a thing as group life insurance on the contribution plan.

#### Many Without Protection

With the federal and state governments entering the picture and making deductions for social security compulsory, however, the ice has been broken and these ultra-conservative employers are beginning to feel that as long as their no-deduction rule has been broken, they might as well go ahead and not let

### Goodpaster Named Kentucky Commissioner; Shift Talbot

FRANKFORT, KY., June 18.—Governor Chandler has appointed Sherman Goodpaster of Frankfort, former state treasurer, as insurance commissioner of Kentucky, succeeding J. Dan Talbott of Bardstown, who was named finance commissioner.

J. C. W. Beckham, former governor of Kentucky, it is understood, will be director of business, the department under which the insurance commissioner's office has now been placed.

tradition stand in the way of their employees getting insurance at low cost.

(CONTINUED ON PAGE 20)

### Medical Examiner Meets Agent at Cemetery Gate

Dr. Leon C. Garcia, San Francisco medical examiner for several life companies, was somewhat puzzled when his office nurse gave him the following message:

Saturday, 7 p. m., meet Agent Brown at entrance to Holy Cross Cemetery where he wishes you to examine four applicants.

Not being sure whether the "applicants" were safely tucked away inside the cemetery, whether they were really applicants or whether Agent Brown was "pulling his leg," Dr. Garcia set out to do his duty. Arriving he found Agent Brown with four employees of the cemetery who had decided from their daily observations (and with the aid of Agent Brown) that they needed life insurance.

## May Reduce Three Percent Valuation

Investment Conditions May Necessitate Interest Assumption of 2½ Percent

### RATE USED IN ENGLAND

Long Term Securities Will Determine How Long the Present Situation Can Continue

NEW YORK, June 18.—Continuance of investment conditions at their present level would call for an interest assumption of about 2½ percent rather than the widely accepted 3 percent valuation basis and the prospect of the existing federal fiscal policy extending for another four years would cause serious consideration of the advisability of changing to a lower interest assumption than any now used in this country. A rate of 2½ percent is the generally accepted figure among life companies in England.

As a practical matter, a life company does not have to change its valuation basis even though the returns on its invested funds fall below that figure for several years, as a considerable portion of its funds is in long term investments which help to keep the net return somewhat above the going rate. Eventually, however, if the low current yield continues long enough, the leavening effect of the old investments on the books becomes so small as to be of little moment.

#### Estimates Are Difficult

It is difficult to get definite estimates as to how long the present investment market could continue before it would force a change to a lower than 3 percent basis. Much depends on a company's percentage of long term investments which the borrower has not the privilege of calling in and refinancing at today's very attractive rates.

One large, representative company has so far this year been investing its available funds at a yield of approximately 2½ percent. Reflected in any company's yield on new investments is the conservatism of its buying policy and its judgment as to whether interest rates are going to go up or stay down. If it believes the outlook for an upturn is good, its tendency will be to keep in a liquid position, investing in short term governments, which are almost like ready cash. On the other hand, if it takes a more pessimistic view, it can go in for longer term securities and get a somewhat higher present yield.

Five-year governments are selling currently on about a 1½ percent basis, while longer term governments yield about 2½ percent. A recent issue of 2½ percent government bonds callable

(CONTINUED ON PAGE 20)

# Company Examinations Issue Dominant at St. Paul Commissioners Rally

The big issue at the annual meeting of the National Association of Insurance Commissioners at St. Paul was on the subject of company examinations. The subcommittee of the examinations committee headed by O'Malley of Missouri labored long and tediously endeavoring to reach a harmony program. Chairman O'Malley had back of him the Pacific Coast and southern commissioners. His proposal was to make every examination of a company operating in three or more states a convention examination. This would depart from the present custom of making convention examinations selective.

#### New Plan Is Proposed

Under the new plan when a commissioner is about to make an examination of a company in his state he is to notify the chairman of the examinations committee, who shall invite two other commissioners to participate. Whether Superintendent Pink of New York will follow this program literally remains to be seen. In a statement given to the papers following the meeting he stated that the New York department will notify the examinations committee chairman of the completion of each examination of a New York company and then offer to the committee the privilege of sending representatives of the interested states to New York to review the examinations.

#### Resolution That Was Adopted

The resolution passed by the convention which was presented by the examinations committee headed by Read of Oklahoma is as follows:

"In all future examinations of insurance companies, the supervising administrative official of the insurance laws of the state in which the company to be examined is domiciled shall notify the chairman of the examinations committee of this convention of the pendency of the examination and shall indicate to him in a general way the premium income from the various states. The chairman of the examinations committee shall then invite not less than two commissioners to send representatives to participate in that examination, said invitations to be extended in consideration of the premium income of the company in the various states, the geographical location of the states, and with due reference to rotation of invitation, and,

whenever the occasion requires, groups of states may be represented instead of one state, by their joint selection and appointment.

"It is understood that this does not apply in those cases where companies are authorized to do business in less than three states."

"The report of examination as finally submitted shall represent the concurrence of the commissioners invited to participate, which said concurrence shall be made evident by their respective signatures."

#### Meeting Was Spirited

At the first meeting there was much fiery talk. The New York department especially was antagonistic to the plan, claiming that it was responsible for its home companies and had a splendid staff of examiners. The New York department is fortunate in that politics plays no part in its personnel. Its examiners are under civil service rules. Not even the deputies or heads of departments are disturbed by new administrations. In fact, those who make appointments do not know the politics of the applicants. This gives a continuity of office to the examiners and other employees which few states enjoy. Undoubtedly New York has by all odds the most competent and efficient set of examiners of any department. Be that as it may, there is a strong feeling that commissioners of other states should have some voice in the examination of companies operating in their domain.

#### Company Failures in New York

They contend that they are held responsible and that New York is not infallible in its "pure food tag" that it puts on companies as it has had some notable failures. The commissioners claim that owing to these failures citizens of their states have inquired as to why they did not check up more fully on the financial statements. The sentiment of the outside commissioners has been growing in momentum and it is the consensus of opinion that unless the examination system is changed, individual action would be taken. Even commissioners that were not in favor of changing the examination plan saw considerable merit in the arguments and position of the uprising commissioners. The main antagonism to the changed plan came from New York, New Jersey,

Massachusetts and Connecticut. Undoubtedly the commissioners of these states saw danger in what was being attempted. They felt that there could be great abuse of the system by states having but few companies of their own, sending in politically appointed examiners who were not acquainted with the mechanics of making an examination nor knowing what to look for or how to do it. Instances were cited by some of the commissioners of recent experiences where decidedly inefficient men were sought to do the work. In other words, these eastern commissioners felt that this new plan opened the way for additional political appointees to get jobs and insurance companies would be saddled with the unnecessary expense.

Commissioner O'Malley in his original proposal desired an independent examining bureau to be established with a chief examiner at the head who would make the assignments and supervise the work. This, however, did not prevail as the examination machinery is left with the examinations committee headed by Read of Oklahoma.

#### Commissioner Mortensen's View

Mortensen of Wisconsin held out for some civil service requirements to be placed on examiners but this was impractical owing to the lack of uniformity of state laws. The subcommittee finally agreed on the plan that was ultimately adopted and it was approved by a majority of the examinations committee.

The commissioners that stood between the two extremes declared that they were willing to give this new scheme a trial and watch very carefully to see whether there are any abuses. They realized that the momentum of revolution against the aloofness of New York and other opposing states was growing rapidly and unless something was done there might be chaotic conditions.

Superintendent Pink's statement that he gave the press is as follows:

"The New York department has been an active member of the National Association of Insurance Commissioners from its inception in 1871. It has always been represented at meetings of the association and its committees. No department has a greater recognition of the need of cooperative action among state insurance supervisory officials than

New York and our participation in the work has always looked toward the goal of uniformity and cooperation. New York recognizes and respects fully the rights and responsibilities of every member.

"At the same time New York expects the other members to understand its duties and responsibilities. The New York department, in common with all others, functions under a statute making it directly responsible to the people of the state in the supervision of the insurance companies, domestic, foreign and alien, doing business in the state. The people of New York have been liberal in their support of the New York department and are entitled to strict accountability for all its acts.

"The New York insurance law places varying degrees of responsibility upon the superintendent of insurance regulating companies authorized in New York. Under the statute, he must examine domestic companies at certain specified times by civil service examiners appointed by him for that purpose; he is not required to examine foreign companies but may do so in his discretion. He does not grant renewal licenses to domestic insurers; he does to foreign companies. He must impose the strict limitations of law upon the investments of domestic companies; he is given some latitude in the case of foreign companies. In short, the New York law distinguishes between domestic and foreign companies in numerous respects in recognition of the fact that primary supervision of an insurance company is the duty of its domiciliary state.

#### Examining Bureau Reorganized

"Following the evils disclosed by the Armstrong investigation, the New York department, and particularly its examining bureau, was reorganized under Superintendent W. H. Hotchkiss. The growth and development of our examination bureau has continued under each of Mr. Hotchkiss' successors and as a result we have today an able, loyal and efficient corps of examiners. We make no claim to superiority over any other state. We know the goal of each member of this association is to conduct its own examinations on the most efficient basis.

"Our personnel of 125 trained examiners

(CONTINUED ON LAST PAGE)

## OFFICIALS OF INSURANCE COMMISSIONERS' BODY



ERNEST PALMER, Illinois  
New President



W. A. SULLIVAN, Washington  
Retiring President



GEORGE A. BOWLES, Virginia  
Vice-President



JESS G. READ, Oklahoma  
Secretary-Treasurer

## Heart Situation Is Greatest Problem

A. L. C. Medical Section Devotes Most of Annual Meeting to Subject

### DR. CRAGIN IS CHAIRMAN

Need for Lower Blood Pressure Limits Stressed in Discussions at White Sulphur

Cardio-vascular-renal deaths are licking the life companies consistently, and thus virtually the entire discussion program at the White Sulphur Springs, W. Va., annual meeting of the Medical Section of the American Life Convention was given over to this problem. The consensus was that early deaths from this cause can be avoided by remembering four points:

A more conservative blood pressure reading standard should be put in effect—and perhaps this is the most important of the steps indicated as necessary to remedy the situation.

More than one case of cardio-vascular-renal disease in family medical history of the applicant is sufficient to warrant definitely marking the risk sub-standard.

#### Other Factors Are Given

A pulse rate in the 80s is an indication of possible future trouble, although this might be considered a lesser factor in selection.

A tendency to overweight is questionable, even though the overweight in itself is not sufficient according to present rules to mark the risk sub-standard.

These latter two points when associated with a tendency to high blood pressure in family history are regarded as danger signals today.

#### New Officers Elected

Dr. D. B. Cragin, medical director Aetna Life, was elected chairman succeeding Dr. S. J. Streight, medical director Canada Life. Dr. W. E. Thornton, medical director Lincoln National Life, program chairman for the last year, was elevated to vice-chairman; Dr. B. F. Byrd, assistant medical director, National Life & Accident and secretary for two years, was reelected, and Dr. A. E. Johann, Bankers Life of Iowa, was placed on the board of managers and will be program chairman for the 1937 meeting.

Technical papers made up a large part of the program, but there was an interesting session on motivation, led by Dr. H. W. Dingman, vice-president and medical director Continental Assurance. Views were contributed by two laymen, A. J. McAndless, executive vice-president Lincoln National, and President Lee N. Parker, American Service Bureau, Chicago.

#### Dr. Dingman Makes Points

Dr. Dingman, whose formal paper is digested elsewhere in this issue, brought out in discussion several factors which the depression has precipitated on the country. One was that applicants in the upper brackets suffered stock losses and tried to recoup through insurance, often finding they could not easily get policies and perhaps shading or withholding facts in representations. A second point was that in a period of time when governments have been repudiating contractual obligations, it was little wonder if some individuals would feel a less obligation to maintain their integrity in carrying out contracts and making truthful representations.

A third point was that competition is

## Western Conference Elects H. H. Earle as Its President

### DISCUSS EXAMINATION PLAN

New Head Protests Against Companies Entertaining or Extending Special Favors to Examiners

The Western Conference of Insurance Commissioners consisting of the Pacific Coast and Rocky Mountain group held its annual meeting at St. Paul during the week that the National Association of Insurance Commissioners assembled there. Commissioner Hugh H. Earle of Oregon was elected president succeeding Commissioner Holmes of Montana. Commissioner Brown of Arizona was chosen secretary succeeding Commissioner Bakes of Idaho.

#### Discussed Convention Plan

There was a very earnest discussion over the convention examination plan. The commissioners of this group were unanimous in their demand that examinations of companies operating in three or more states be on the convention plan. The feeling was that the Western Conference in these examinations should be represented and an examiner selected to participate with the understanding that he was the examiner for all the states in the group that were interested. Hence he would be the spokesman and the source of information for the commissioners participating. These commissioners contended that they had a perfect right to examine companies operating in their bailiwick inasmuch as they are being held responsible for them.

The commissioners held that it is inconsistent for New York and other eastern states to adopt an attitude of aloofness and try to build a Chinese wall around the boundaries. Commissioner Earle, the new president, boldly stated

## Boomed for Trustee



H. A. HEDGES

The nominating committee of the National Association of Life Underwriters has been requested by the Kansas City organizations to recommend H. A. Hedges for election as a trustee of the National Association of Life Underwriters. Mr. Hedges is general agent at Kansas City for the Equitable Life of Iowa.

that no examiners should be entertained by companies that they were examining, nor shown special favors. He said that that tended to bias the examiners and in order to be impartial he said that no examiner should be allowed to accept

(CONTINUED ON LAST PAGE)

## Picked Up the Thread

Were you ever in this situation? Well along in your sales talk, when in comes a friend. The friend is a gentleman, and says to your prospect, "Jim, I see you're busy. I'll drop in later." "No, hold on, hold on, George, we'll be through here in a minute." And George sits down. Did you give the friend the right of way by withdrawing, or did you pick up the thread and go on?

A brand-new man in our Waterloo, Ia., Agency, having his first such experience, picked up the thread. He thus describes the result:

At first I was very much disturbed at the inopportune time for my prospect's friend to drop in for a visit. But then I figured, "Why not just another prospect, and why not now?" So, as soon as I had finished with my original prospect, his friend received my direct attention. As he had heard much of the conversation, and as his friend had acted favorably, the result was another application, and, incidentally, cash settlement for an annual premium.

A single sales talk sold two prospects, with a finishing "close" for the friend. Withdrawal, the Agent saying that he would call again, would probably have lost both sales.

•••

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

## Examination Plan Was a Big Issue

Insurance Commissioners Divided in Their Attitude Toward New System

### PALMER NOW PRESIDENT

Bowles of Virginia Chosen Vice President and Pink of New York Executive Committee Head

#### OFFICERS ELECTED

President—Ernest Palmer, Illinois. Vice-president—George A. Bowles, Virginia.

Secretary-Treasurer—Jess G. Read, Oklahoma.

Chairman Executive Committee—Louis H. Pink, New York.

Members Executive Committee—F. N. Julian, Alabama; E. A. Smith, Utah; Jackson Cochrane, Colorado; Frank Yetka, Minnesota; C. A. Gough, New Jersey; U. A. Gentry, Arkansas; J. C. Blackall, Connecticut.

The annual meeting of the National Association of Insurance Commissioners at St. Paul closed with an executive session at which the famous resolution on company examinations was brought to a head by the committee on examinations reporting through Chairman Jess G. Read of Oklahoma, presenting the recommendation of the final draft of the program worked out by the subcommittee headed by O'Malley of Missouri. This changes the procedure that has been followed heretofore. A commissioner could call for a convention examination for a home company and by petitioning the chairman of the examinations committee other states would be assigned to the work, usually being those requested by the home commissioner or at least having his approval. If a commissioner felt that a convention examination was desirable for a company of another state he could ask for a convention examination, setting forth the reasons why it seemed necessary. This request then went before the committee on examinations, the home commissioner was conferred with and after getting his reaction, if the examination seemed desirable, even if he protested, the assignment was made. Under the new rule adopted at St. Paul a convention examination is to be made of every company operating in three or more states every three years, the assignment being made according to premium income in the states and the geographical location. This so-called compulsory convention examination received very earnest opposition from New York, New Jersey, Connecticut and Massachusetts. In another column the subject is treated at greater length.

#### Effect of Far Western Bloc

Palmer of Illinois was first vice-president and had been defeated for president at the Seattle convention a year ago when he entered the lists against Sullivan of Washington. At the Seattle meeting there was formed the famous western conference bloc which aroused strong enough sentiment for Mr. Sullivan to carry him through to the presidency and to give the western people a majority of the executive committee. However, when the hosts gathered at St. Paul, President Sullivan expressed himself as favorable to Mr. Palmer, as did Hunt of Pennsylvania, who was one of the enthusiastic Sullivan champions at Seattle. It seemed, however, that quiet opposition had been brewing.

(CONTINUED ON PAGE 22)

## Interesting Personalities at St. Paul Meeting

By C. M. CARTWRIGHT

The gatherings of the National Association of Insurance Commissioners are colorful and interesting to the camp followers and observers as well as to the men of the state insurance departments. At these meetings are assembled insurance men of all classes. It is the one common meeting ground where company, men and organization officials representing the various kinds of insurance come together and get acquainted.

At the Seattle convention last year the new commissioners for the most part made their first appearance. After the big Democratic landslide in 1932, there was an almost complete turnover in the membership of the commissioners' association. Many of the old timers, so to speak, were thrust aside and new faces came into office. At Seattle was the first opportunity many of them had of meeting one another. There was more or less speculation as to how these new officials would develop. They were new and untried, ready to be crusaders and enter the lists. They brought out their trusty shields and spears, thinking they could conquer the enemies that had long infested the business. Almost all of them have found that their predecessors started in office with the same thought.

### Western Conference a Potent Factor

One of the decided factors in the National Association of Insurance Commissioners is the inauguration of the Western Conference of Insurance Commissioners composed of officials of the Pacific Coast and Rocky Mountain states. Rumblings of this bloc had been heard in the past but it came into power at Seattle with mighty force and elected a president and was able to get a majority of its people on the executive committee. There are nine states very closely welded in this coterie, they being Montana, Idaho, Washington, Oregon, California, Nevada, Wyoming, Arizona, New Mexico and Colorado. Commissioner Smith of Utah, one of the most substantial and highly respected of the officials, does not play with the far western bloc. While it is always dangerous to deal in superlatives, it probably, however, can be stated as a fact that E. A. Smith is by all odds the best commissioner that Utah has ever had.

### Sullivan the Leader of Western Bloc

The Western Conference made itself felt at Seattle and it has carried over. It held a meeting at Phoenix, Ariz., following the Seattle convention, which served to cement more tightly the relationships. Commissioner Sullivan was the acknowledged leader, and was ably seconded by Holmes of Montana. Many of the commissioners were new and hence followed the leader. Now they have gotten their bearings. Commissioner Sullivan worked hard during his year in office. He was very earnest and desirous of making a record. His address before the Association of Life Insurance Presidents and his presidential address at St. Paul contained most excellent material.

There was considerable criticism by many commissioners who were in sympathy with the aims of the Western Conference in its putting forward another candidate for the presidency, following the administration of Commissioner Sullivan of Washington, thus giving the Pacific coast two terms in succession. Carpenter of California, who was nominated, is a very fair-minded official. He is a former insurance man at Los Angeles, he has stood his ground on many points where com-

panies have differed with him and he is regarded as sincere in his convictions. Critics at St. Paul were disappointed that Mr. Carpenter allowed himself to be put in nomination. They agreed that the far western people had not been shown enough favors in the past but they disparaged on the other hand an attempt to "rush" the organization.

### Attempt Made to Get Gentry as a Candidate

Earle of Oregon is a well intentioned official. He is a former local agent at Eugene, and is high-minded in what he tries to do. Holmes of Montana is generally regarded as the comedian of the organization, but with his broad Irish brogue and ever engaging smile, can be serious when he wants to. He is aggressive and has had much to do in molding sentiment among the far western commissioners in their stand against the other sections.

It is stated that the western bloc endeavored to induce Gentry of Arkansas to allow his name to be put in nomination for the presidency but he declined. If Mr. Gentry had consented Palmer of Illinois would have had a much stiffer fight and might have lost, because Gentry would have attracted a number of votes that did not go to Carpenter.

Early in the week all signs pointed to Palmer being chosen president by acclamation. As the Pacific commissioners began to exchange views, it became evident that they felt the Illinoisan had not come their way as they desired and they questioned his attitude if he got into office. At the dinner Thursday evening the far westerners claimed they had enough votes pledged to defeat Palmer but evidently many commissioners felt the Pacific coast folks were going too far.

The first indication of an attempt on part of the far westerners to impress the others with their power was the vote in the executive committee to hold the semi-annual meeting at Hot Springs, Ark., rather than New York City, this being undoubtedly an intended slap at Wall street. It was deemed diplomatic, however, on part of other commissioners to yield with

### Minnesota Official Is Given Vote of Thanks



FRANK YETKA

Insurance Commissioner Yetka of Minnesota was given a hearty vote of thanks at the close of the annual meeting of the National Association of Insurance Commissioners for his part in the generous hospitality that was extended by the people of his state at the St. Paul meeting. Mrs. Yetka was an able hostess and the commissioner in spite of his physical condition due to an aftermath of his automobile accident was on the ground all the time, seeing that the visitors were all looked after.

good grace, they desiring to evince cordial good fellowship with the Western Conference men. The western bloc undoubtedly hoped to capture a majority of the executive committee but failed, securing only Cochrane of Colorado. Smith of Utah was elected on the committee but he can hardly be considered as belonging to this coterie as his sympathies are not with some of its movements.

Hunt of Pennsylvania, who trekked with the far westerners at Seattle, did not walk with them so far as the presidency was concerned, he being one of the earliest champions of Ernest Palmer. Commissioner Hunt, by the way,

(CONTINUED ON PAGE 10)

## THE WEEK IN INSURANCE

Interest conditions may force companies to 2½ percent reserve basis. Page 1

\* \* \*

Life Presidents Association shows gain in new business in May. Page 1

\* \* \*

Group life insurance is showing a material increase. Page 1

\* \* \*

Alfred M. Best, testifying as an expert, recommends acceptance of offer of Kansas City Life to reinsure business of Continental Life of St. Louis. Page 9

\* \* \*

Interesting sales material is brought out at Lincoln National convention. Page 23

\* \* \*

Dr. D. B. Cragin of the Aetna Life is elected chairman of the Medical Section of the American Life Convention. Page 3

\* \* \*

Much interest as to candidates for vice-president National Association of Life Underwriters. Page 4

\* \* \*

T. A. Phillips, president Minnesota Mutual is slated for presidency American Life Convention. Page 6

\* \* \*

Meeting of the Pacific Coast actuaries was devoted to discussing many current problems. Page 8

Bids for taking over Union Mutual Life of Des Moines are being considered. Page 18

\* \* \*

Occidental Life of Los Angeles takes over the defunct Federal Reserve Life of Kansas City, Kan. Page 6

\* \* \*

Rehearing is denied by Illinois supreme court that holds companies have power to get voluntary lien authorization from policyholders. Page 10

\* \* \*

Ernest Palmer of Illinois elected president of the National Association of Insurance Commissioners. Page 3

\* \* \*

Details of plan for mutualization of General American Life are now set forth. Page 5

\* \* \*

Insurance commissioners divide on plan of extending the convention examination system to be compulsory. Page 2

\* \* \*

Campaign is started in behalf of the election of O. Sam Cummings as vice-president of the National Association of Life Underwriters this fall. Page 4

\* \* \*

Occidental of Los Angeles reinsurance Federal Reserve Life. Page 6

\* \* \*

H. H. Earle, insurance commissioner of Oregon, has been elected president of the Western Conference of Insurance Commissioners. Page 3

\* \* \*

Comment is made on the personalities of the insurance commissioners. Page 4

## Boom Started for Cummings of Texas

Dallas People Seek National Association Vice-Presidency for Fellow Citizen

### TRUSTEESHIP CAMPAIGNS

Pittsburghers Want Holgar Johnson Reelected—Kansas Cityans Put Forward H. A. Hedges

In view of the fact that C. O. Fischer of St. Louis has been appointed to a position in the agency department at the head office of the Massachusetts Mutual Life and is therefore not eligible for election as vice-president of the National Association of Life Underwriters in Boston this fall, O. Sam Cummings of Dallas has permitted his friends to place his name before the nominating committee for the vice-presidency. Although Mr. Cummings had a record of many years of service as trustee of the National association and was regarded as being logically in line for vice-president this year, he had asked his friends to offer him for "service only" when he learned that Mr. Fischer had permitted his name to be put forward for vice-president. Mr. Cummings desired to leave it entirely to the committee on nominations and the national council as to whether his name or that of Mr. Fischer should be offered for vice-president.

Now that Mr. Fischer is to enter home office work, Mr. Cummings has permitted his name to be advanced for vice-president. Robert M. White of Dallas is chairman of the committee that will campaign in behalf of Mr. Cummings, if necessary.

### Resolution Is Adopted

A resolution has been adopted by the Dallas Association of Life Underwriters and Life Managers & General Agents Association of Dallas in behalf of Mr. Cummings.

The resolution points out that under the old by-laws Mr. Cummings was nominated four years ago for trustee of the National association and elected by the old executive committee. Three years ago Mr. Cummings was elected fourth vice-president at the time C. Vivian Anderson was elected president, T. M. Riehle, vice-president, Arthur Holman, first vice-president, L. O. Schriver, second vice-president, and A. E. Patterson, third vice-president. Two years ago Mr. Cummings was elected a trustee when Mr. Riehle moved up from vice-president to president, when Mr. Schriver was elected vice-president and Mr. Patterson as trustee. Last year Mr. Schriver was elected president and Mr. Patterson was elected vice-president.

### Training and Experience

The resolution expressed the belief there should be no fixed procedure of succession in office even where men have moved along together in advancement as have Mr. Cummings, Messrs. Anderson, Riehle, Schriver and Patterson. But it states the nominating committee and national council should take into consideration the training and experience gained by such service, along with the accomplishments of any candidate who has served in the national ranks.

The memorandum reviewed some of Mr. Cummings' activities, including his work as chairman of the committee that recommended the National association reorganization plan that was adopted. When Mr. Anderson was president, Mr.

(CONTINUED ON PAGE 22)

## General American Plan to Mutualize

First Step Will Be to Unscramble  
Southwestern Life Inter-  
Ownership

### THEN STOCK RETIREMENT

St. Louis and Dallas Life Companies  
to Sell One Another Each  
Other's Stock

ST. LOUIS, MO., June 18.—The approval by Circuit Judge Joynt of an order permitting General American Life to sell 30,000 shares of Southwestern Life of Dallas stock at \$60 per share to "Dallas interests" reveals that definite steps to insure the mutualization of General American and the complete divorcement of the management of that company and Southwestern Life have been taken by the officers and directors of the two companies and approved by Superintendent O'Malley.

The program is intended to be an equitable protection of the interests of policyholders in the old Missouri State Life, General American and Southwestern. The managements of the two active companies have been entirely separated. The stock of General American now held by Southwestern Investors Corporation has been placed in trust and under the direct control of three trustees, all of whom are residents of Missouri. Arrangements have been made whereby this stock will be released for purchase on behalf of the policyholders of General American as fast as possible for the same price at which it was secured by the Dallas interests. Apparently the funds received from sale of General American stock will be used by the Dallas people to purchase Southwestern Life shares.

#### Reducing the Lien

The policyholders of General American Life will be permitted to name an increasing number of directors from year to year until eventually all directors are elected by them. Although it will take some time to effect complete mutualization, the arrangements now completed insure that all future profits from the operation of General American Life will inure to the benefit of policyholders. This is the first time a Missouri stock life company has been mutualized.

Southwestern Life stock has been carried by General American in the account of the old Missouri State for \$45 a share and when the profit of \$15 a share is fully realized it will be used to reduce the liens against the reserves of certain of the old Missouri State policies.

The process provides for a gradual retirement of the stock of General American to policyholders.

#### Small Owners First

Southwestern Life and Southwestern Investors Corporation, which bought control of General American from Equity Corporation recently, have consented to dispose of their 45,000 shares of General American without profit. The 41,660 shares held by Southwestern Investors Corporation and the 3,334 shares owned direct by Southwestern Life are to be sold to General American policyholders for the same price paid to Equity Corporation, or \$60 per share.

The plan for retirement of General American stock provides that holders of the smallest blocks of stock are to be paid out first. The plan provides that the owners of 100 shares or less of General American are to be paid out within

a year. About \$80,000 will be used for this purpose.

Pending final purchase of their stock by General American policyholders, stockholders are to receive only a nominal interest return. During the first five years they will be paid only 3½ percent interest, during the next five years 4 percent, and 4½ percent thereafter. The price of \$60 per share is fixed and final and the stockholders will have no opportunity to profit from any future enhancement of the assets and going value of General American.

Stock will be retired entirely from the earnings of the company. The contract provides that surplus for the benefit of policyholders shall not be reduced below \$2,000,000 except to pay interest on the stock outstanding, but under no circumstances shall it go below \$1,500,-

000. The only departure from this arrangement will be when it becomes possible to retire all of the remaining outstanding stock and thus make the company 100 percent mutual.

The policyholders are to name two of the six directors elected at the annual meeting to be held in January, 1938, and three of the seven at the 1939 meeting. A 10-year voting trust agreement is being established under which three Missourians will act as trustees for the controlling stock of General American, including the 45,000 shares held in Texas. There are 50,000 shares outstanding. The trustees will select the directors not named direct by the policyholders. The trustees selected are: W. W. Head, president General American; S. W. Souers, vice-president, and P. B. McHaney, who has been attorney for

the Missouri department. These trustees will receive no compensation.

The willingness of Southwestern Investors Corporation and Southwestern Life to place complete control of General American in the hands of Missourians, notwithstanding that they owned 90 percent of its stock, is an indication that the Dallas men are interested primarily in protecting General American and Southwestern from falling into undesirable hands. With the General American Life owning 105,000 of the 200,000 shares of Southwestern Life stock, the Texas company would have been adversely affected by any mismanagement of the Missouri concern.

The present management under President Head will not be disturbed. There will be no change in the official persons.

(CONTINUED ON PAGE 20)

# 3 production records SMASHED in May, 1936

● Greatest Monthly Production

● Greatest Monthly Issue

● Greatest Single Day Production

SUCCEED WITH A SUCCESSFUL FIELD FORCE

## Bankers Life Insurance Co. of Nebraska

LINCOLN SINCE 1887



## 89 Years Ago

The plow of 1847 scored its lone furrow much as did the rude contrivance of ancient Egypt. Now, the tractor with its gangplows in one day does what would have taken a month at the time the Canada Life was born.

The world has moved far since the Canada Life was established in 1847, but nothing has been more noteworthy than the rise and development of life insurance as a form of protection and investment.

Some idea of the present day scope of Canada Life affairs can be gathered from the fact that during the past six years, this Company has paid to policyholders, annuitants and beneficiaries over 158 million dollars.

During the same period, the Company's assets were increased by \$75,125,435, bringing the total assets for protection of policyholders to over \$248,000,000.

**The Canada Life**  
Established  
1847  
Canada's Oldest Life Assurance Company

### Aggressively Developing State of Illinois Offering Unusual Agency Opportunities

Liberal First Year Commission and Non-forfeitable  
Renewal Commissions

Assistance in the Field

Home Office Co-operation

### GLOBE LIFE INSURANCE CO. OF ILLINOIS

WM. J. ALEXANDER, President  
An Old Line Legal Reserve Company—Established 1895  
40 Years of Continuous Faithful Service  
to Policyholders

Writing Complete Line of Modern Policies with  
All Standard Provisions

Ages (0-60)

Double Indemnity — Disability — Non-Medical  
Modern Juvenile Contracts Full Benefits Age 5

WRITE US TODAY FOR PARTICULARS

431 South Dearborn Street

Chicago, Illinois

### Occidental of Los Angeles Gets Federal Reserve Life

#### REINSURANCE PLAN APPROVED

Tentative Lien of 50 Percent on Cash  
Values—Pay Death Claims  
in Full

KANSAS CITY, June 18.—The proposal of the Occidental Life of Los Angeles to reinsurance the Federal Reserve Life has been approved by Federal Judge Pollock. It was recommended by W. R. Baker, receiver, and his three actuaries. The reinsurance contract will be drawn up and submitted to the court immediately.

The Occidental's proposal is considered a liberal one under which the company assumes all liabilities of insurance policies in force, subject to the terms of the reinsurance agreement. There will be no moratorium on death claims. All that have accrued will be paid immediately and in full with no lien.

A tentative lien of 50 percent will be placed on the policyholders' net equity in policies, after deduction of any indebtedness. All earnings from the business will be applied toward reducing the lien. The actual initial lien will be determined after an appraisal of assets to determine the extent of impairment. Mr. Baker will proceed with this appraisal immediately. It is expected to require from 60 to 90 days. The lien goes on net value of the policies as of May 22. There will be no lien on any premiums paid after that date, nor on any increase in cash value of any policy after that date.

#### Expect to Cancel Lien

The lien is expected to be canceled within a few years. However, if by June 30, 1951, the lien amounts to \$11 or less per \$1,000 of insurance, the Occidental will contribute that amount to the Federal Reserve fund and cancel the lien.

The expense allowance for administering the fund, which will be managed under the jurisdiction of the federal court, is \$2 per \$1,000 on business in force on May 22, except on extended insurance, for which the company is to receive \$1.25 per \$1,000 management expense. The first expenses will be paid June 30, 1937.

The rate of interest on the lien is 4½ percent, to be reduced to 4 percent after five years.

#### Lapses to Be Reinstated

Lapses prior to May 22 will be reinstated according to the terms of the policy. Lapses after May 22 will be reinstated without evidence of reinsurance if application and settlement of unpaid premiums is made in 90 days. Waiver of premium disability benefits will be paid in full and will continue to be paid; but income disability benefits will be canceled, and there will be a lien against such benefits currently being paid. Participating policies will be changed to non-participating rates.

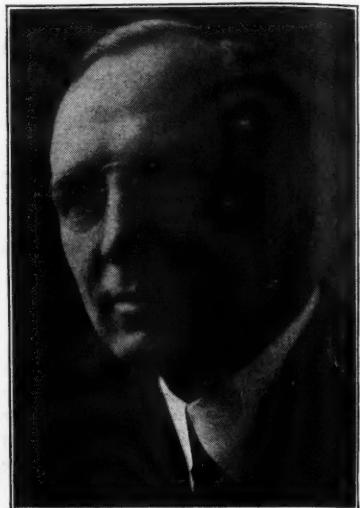
The Occidental will maintain a branch office in Kansas City, Kan., as long as there is any lien on policies, or as long as it may be deemed necessary by the court for the convenience of the policyholders. The office will be maintained in any event for five years. As many employees of the Federal Reserve home office will be retained by the Occidental as possible.

#### Will Confer on Contract

The Occidental will sit in on negotiations with regard to the Federal Reserve's contract with the Farmers National Life, whereunder the Federal Reserve agreed to pay some \$1,050,000 to stockholders of the latter company. This is the only non-insurance contract the court has not already canceled.

The Occidental, now operating in all the states west of the Mississippi, will

### Wings Sprouting



T. A. PHILLIPS, St. Paul, Minn.

T. A. Phillips of St. Paul, president of the Minnesota Mutual Life, member of the executive committee of the American Life Convention, will probably be the next president of the organization when the election is held at the annual meeting in Dallas in October. Mr. Phillips is the ranking member of the executive committee, although he and Vice-president Harry Wilson of the American Central Life were elected at the same time. However, Mr. Phillips was first put in nomination and therefore he will likely be the new head of the association. He is a former president of the American Institute of Actuaries.

Mr. Phillips is a Canadian by birth, having been born at Arthur, Ontario, Dec. 23, 1881. He got his bachelor's degree from Toronto University. Like a number of Canadians he came up through the actuarial ranks. He was connected with the actuarial department of the New York Life for four years and in 1909 he went with the Minnesota Mutual as secretary and actuary. Later he became vice-president and then president.

shortly enter Illinois, Indiana, Michigan and Ohio, where a good deal of Federal Reserve business is located.

Robert J. Giles, board chairman of the Occidental, attended the hearing, accompanied by his attorney, Judge George E. Brammer of Des Moines. They will attend the reinsurance hearing of the Union Mutual of Des Moines.

The Occidental, owned by Transamerica Corporation, a Gianini interest, is headed by L. M. Gianini. With \$240,000,000 of business in force it has \$30,000,000 of assets, a capital of \$1,000,000 and a free surplus over and above contingencies reserves of \$1,340,000.

### Canadian Housing Loans

In comparison with the large appropriations for housing by the American government, the amount set aside by the Canadian parliament is small—\$10,000,000. The Dominion housing act, now in operation, provides machinery for the loaning of money at 5 percent interest.

The government has authorized the following companies to lend money: Sun Life, London Life, North American Life, Great-West Life, Northern Life, Canada Life, Confederation Life, Ontario Equitable Life & Accident Manufacturers Life and T. Eaton Life Assurance, Toronto. The latest figures show that loans for \$1,500,000 have been authorized, over 50 percent being supplied by the Sun Life.

## Ignoring Racketeers Seen as Best Business Defense

### REAM SAYS DON'T BUY BOOKS

**Mutual Benefit Official in Fine Analysis of Situation at Chicago Group Meeting**

Attacks on life insurance by racketeers and muckrakers who try to bring the legal reserve principle into disrepute have for their primary purpose the selling of books, G. F. Ream, assistant superintendent of agencies Mutual Benefit, told the Chicago Association of Life Underwriters at the annual meeting.

Life insurance has the obligation of setting up a defense against these people. The books, he said are sold mainly to life insurance people, since the public rarely is interested in such publications. "A good dose of letting alone" is needed, Mr. Ream said. "Let their books remain on the shelves unpurchased. That is the best way to check their operations."

#### Obligations of Institution

Mr. Ream presented other obligations of the life insurance institution, listing four essentials in modern civilization applying to all types of institutions, and which life insurance meets. These are: The demand for treating essentials of society in the light of reality; recognition of the individual and personal freedom of family, the inborn right to make a living and provide for dependents through the institution of private property and through future protection; the demand for consistency in an institution, and insistence upon vitality in it. These factors apply to all, and without meeting them no institution long can endure, he said.

There also is demand for defense

against un-American attacks through foisting Utopian thought on the people, with plans which would weaken individual initiative of men by giving them the sop of national funds. Agents are the apostles of private property and future protection, Mr. Ream said, and thus are the first line defenders and the rallying point of new loyalty to true American principles.

#### Public Prejudice Problem

Another obligation is to remove the causes of public prejudice against the business. "The people complain that many agents are incompetent," he said, "that they do not know their business. The public complains of the continuous parade of life insurance agents, of agents camping on their doorstep. Here is a problem that must be solved. We must end the scramble of undignified competition. This business has the duty of obeying the rules of dignity and propriety. It is not a business of peddlers and door-bell pushers. We are dealing with everything that is most vital to a man's inner hopes and ideals and we should place the business on a higher plane."

#### Considers Sales Pressure

He said it is also necessary to protect the business against the pressure of sales consciousness. It is important that the claims for life insurance be stated well within the bounds of conservative facts. Another thing to watch, he said, is soliciting "across the back fence," that is, proselytizing. He urged that the business of agencies not be built at the expense of other agency organizations.

"Every agent owes it to the institution to make a definite, consistent living," Mr. Ream said. "He must preach the gospel of financial independence, and he cannot be persuasive and convincing if he is near pauperism and only two jumps ahead of the sheriff. This is inconsistent. It weakens our arguments when we try to sell life insurance.

"I feel that agencies will come before

long to demand that every full time agent be a walking illustration of financial adequacy. This should help to stabilize our profession. I wonder if it is not time to make of this business in fact a profession and something more than a mere marketing organization."

#### Agency Turnover Too Rapid

Mr. Ream said turnover among agents is too rapid. Too many look upon life insurance still as a stop-gap until times improve and they can get jobs in the lines in which they are experienced or more interested. It is too easy to get into the sales end of the business, and therefore too easy to get out of it.

Definite community consciousness is another important factor, he said. It is vital that companies and agents be coordinated in a steady line of organized approach in which no factor is overemphasized. He looked upon the life insurance selling problem as one of military strategy. A territory should be considered a zone to be captured, all forces working together harmoniously and efficiently under a well thought out general plan of campaign.

#### Bruchholz New President

Frederick Bruchholz, agency director New York Life and acting president since the death of President I. B. Jacobs, was installed as president, having been elected for the new term in a mail vote. Appointment of Joy M. Luidens as executive secretary was announced. Paid membership is 1,050, a record and larger than the mark set preceding the Chicago convention of the National organization.

A. E. Patterson, Penn Mutual general agent and vice-president National association, reported national membership June 1 was 24,657, compared to 24,307 on June 1, last year. He presented 100 percent membership certificates to several agencies.

Mr. Bruchholz reported there are 91 C. L. U. men and women in Chicago and 73 will take the June examinations.

## Provident Mutual Leader Is Honored for Production

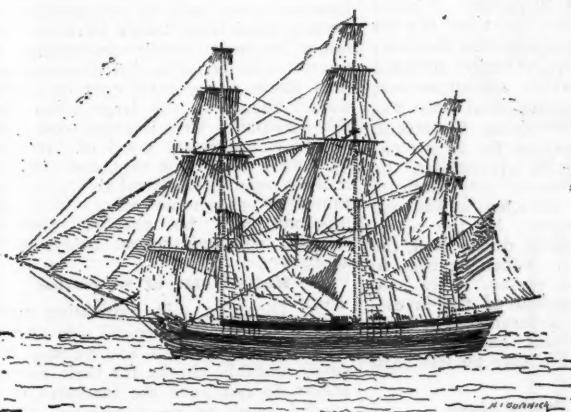


JOSEPH H. PHIPPS

Joseph H. Phipps, star producer of the Provident Mutual at Cleveland, was honored by his associates on the occasion of his completing 1,000 weeks consecutive scoring. A dinner party was held and Mr. Phipps was presented a plaque signed by members of the Cleveland agency and a number of home office executives. W. D. Cross, M. L. Williams and E. A. Farrington, of the agency department, represented the home office at the gathering.

Joseph H. Phipps entered the Provident Mutual agency force in 1914 and has been a consistent producer since that time. He has led agency production most of the 22 years and has qualified for membership in the Provident Leaders Club every year, having been an officer on several occasions.

MARINER



Girard's Ship "Good Friends"

**A**t the age of 23 Stephen Girard attained the rank of "Captain, Master and Patron of a Merchant Vessel." In this position of command, he was able to engage in the personal trading activities which led to partnership with a New York merchant attracted by his business ability. For three years Girard sailed on world-wide enterprises, until in May, 1776, his vessel sought safety in the port of Philadelphia from blockade by the British fleet. Compelled by the shipping blockade to remain in Philadelphia, Girard, with characteristic resourcefulness and energy, turned to other activities. He opened a small store on Water Street and began there the commercial projects which were to establish him firmly and successfully in this country.

## GIRARD LIFE

INSURANCE COMPANY OF PHILADELPHIA

Opposite Independence Hall

## Coast Actuarial Meeting Reviews Agency Problems

### SESSION HELD AT DEL MONTE

Agency Executives in Attendance on Closing Day and Take Active Part in Discussions

Devoting its discussions principally to the actuarial phases of agency supervision and the agency aspects of actuarial problems, the Actuarial Club of the Pacific States held a three-day meeting at Del Monte, Cal. The closing day was devoted entirely to a discussion of agency problems, with agency executives of the various companies in attendance. Many of the executives who had been in attendance at the Sales Research Bureau's sessions remained to participate in the discussions of the Actuarial Club. Gordon Thomson, vice-president West Coast Life, served as chairman at the session devoted to agency problems and also led the discussion of the opening session on "advisable restrictions for investment forms of contracts."

#### Various Trends Reviewed

In a review of recent trends in interest rate, disability and mortality, C. H. Tookey, Occidental Life, and W. R. Halliday, consulting actuary, took a leading part. Convenient office methods for arriving at persistency figures by territories, agencies, mode of premium payments, kinds of policy, etc., were discussed by R. N. Griswold, California-Western States Life; A. W. Havens, Pacific Mutual, and R. R. Brown, Oregon Mutual.

Current taxation development was discussed informally, while the effect of the increase of premium frequency on expenses received considerable attention, the discussion being led by Marcus Gunn, California-Western States; D. G. Goddard, Travelers, and C. N. Torok, Metropolitan Life.

Another topic of discussion was: "Can salary allotment business be handled profitably? What is the proper ratio of monthly to annual premium?" H. H. Buckman, California-Western States Life, and F. N. Hope, Occidental, led discussion of the value of branch collection offices to policyholders, agents and the company.

#### Agents and Agency Costs

Another discussion was on the trend of agents and agency costs per unit of new life insurance since 1920, with Floyd E. Young, Montana Life, taking the lead.

Discussion on what direct and overhead expenses should be charged to new business and what estimates of such expenses are in practical use was led by W. A. Munster, Postal Union Life; H. H. Buckman and E. S. Jensen, Occidental Life, while discussion of methods of compensating agents was led by Gordon Thomson and W. R. Halliday.

The opening discussion at the agency session, covering the need for reconsideration of agency budgets resulting from reduced interest rates, increased lapse rates, increased expense rates and decreased average policies and estimates of margins available for agency expenses, was led by Marcus Gunn.

R. R. Brown and C. H. Tookey, Occidental Life, led the discussion on what agency expense controls, budgets or reports are in use; use of such expense figures in supervising agency managers and general agents and maximum limits of agency costs for various types of agencies of various degrees of maturity.

R. B. Richardson, Montana Life, and F. N. Hope led the discussion on the closing topic of the session, which dealt with methods of compensating general agents and agency managers. Under this heading the following questions

## Named Chairman



DR. D. B. CRAGIN

Dr. D. B. Cragin, medical director Aetna Life, the new chairman of the Medical Section of the American Life Convention, is one of the outstanding medical men in the country, with a fine background of training and experience. He was born at Farmington, Me., and graduated from the state normal school, teaching school for a time. He studied in Harvard Medical School and after graduation engaged in private practice in Boston for two years. He was for a time surgical house officer of Kearney Hospital, Boston, then went to Waterville, Me., in private practice. He moved to Hartford in 1920. Dr. Cragin was assistant medical director of the Aetna Life about 20 years and was made medical director about four years ago. He is consulting surgeon of Hartford Hospital and has been active in civic work as commissioner of public welfare of Hartford and commissioner of health there.

were also discussed: Is a standard agency contract for all territories of a company desirable or practical? Can such a contract be devised which will have several variables (such as volume, average policy, average premium, persistency, mortality and expense) as a basis for compensation without sacrificing simplicity? (Can carefully planned contracts for agency managers and general agents be made to automatically protect the company against the excessive cost of business in the lower brackets of quality?)

This is the first time representatives of the agency department have met with the club. Previously the underwriters had met with the club and the investment men attended the annual meeting last November. It is expected that the underwriting executives will meet with the club at the next annual meeting.

O. A. Ehrenclou, actuary Northern Life of Seattle, president of the club, presided.

## Pratt Production Manager

Glenn B. Dorr, general agent Northwestern Mutual Life for Connecticut, announces that Wilbur S. Pratt who has been associated for six years with Northwestern Mutual at Hartford, acting as supervisor for the last two years, has been made production manager. He is a C. L. U. and served as the first secretary of the Hartford chapter. He was elected the second vice-president of the Hartford Life Underwriters Association in June, 1935. During the past two years he has been chairman of the poster committee during life insurance week.

**Guy J. Gilbert**, Lincoln National Life, was elected president of the Santa Ana, Cal., Rotary Club.

## Motivation Dominant Factor in Life Insurance Selection

### BEARS CONSTANT WATCHING

Vice-president Dingman of Continental Assurance Addresses A. L. C. Medical Section Meeting

Life company underwriters always should look for motivation behind the application and medical examination, Dr. H. W. Dingman, vice-president and medical director Continental Assurance, stated in a talk on "Motivation" at the A. L. C. Medical Section meeting in White Sulphur. Although altruism of the highest order is the primary factor in buying life insurance, the people are accustomed to getting their money's worth, whether in food, clothes, shelter, transportation or anything else, and when they buy money for future delivery, such as life insurance, self-interest is not neglected, he said.

#### Applicants Good Buyers

"They who buy life insurance know what they are buying, and sometimes their buying is done more advantageously than our selling. They are selfish in their buying. We are impersonal, perhaps too impersonal, in adhering to the insurance law of averages. Self-interest of our clients oftentimes extends beyond the law of averages, and so it is our obligation to determine the motivating force behind each application.

"When purely altruistic for protection of dependents, we proceed to underwrite the risk on the usual, physical, financial and moral lines. When concealed motive is suspected, the legal-financial-moral lines are secondary. Motivation is first, and the selector must form a definite opinion of the motive of the buyer."

#### Character Prime Factor

He said ability to pay is not always a sign of willingness to pay. Character is essential. This denotes willingness to shoulder obligations and pay the proper cost, and, in insurance, willingness to pay as many premiums as any other average individual of like age, to make frank and complete representation so the company may adequately appraise the risk.

Dr. Dingman set 20 percent of earnings as the maximum limit for life insurance premium, but admitted the average is much lower. Whereas national income approximates \$50,000,000,000, life insurance premiums total only \$3,000,000,000, thus averaging 6 percent.

"Willingness to exceed the 20 percent limit strongly suggests overbuying," he said. "This willingness may indicate excellent selling by the agent and it may indicate shrewd buying by the applicant. Even if the agent doesn't sell, the individual does buy. When he tries to overbuy there is a reason." He said this may be the appeal of the investment basis of life insurance, but it is possible the applicant has intimation his expectation of life may be less than it should be.

#### Hazard of Jumbo Lines

The applicant knows more about himself than any one else, and the more intelligent he is the more complete is his knowledge. This is the hazard of jumbo lines. Economic status permitting large premium payments denotes higher intelligence than that of the average buyer. The jumbo line applicant gets better advice on personal problems, physical, financial, legal, etc., and sometimes he conceals more information. He realizes what incipient impairment may mean.

Concealed information is a growing hazard. The jumbo policy-holders have been expensive to companies in suicides and accidental deaths, and also early deaths. These people bought their in-

## O'Malley Again Attacks the Fraternals Bitterly

Commissioner O'Malley of Missouri, who started on a rampage in attacking the fraternals following the presidential address of Sullivan of Washington, who was head of the National Association of Insurance Commissioners, at the annual meeting in St. Paul, drew up his heavy artillery at the executive session Friday morning and renewed the cross fire on the societies. Commissioner O'Malley objected strenuously to the reference of President Sullivan to the taxing of fraternals, the latter opposing such taxation and the suits that had been brought against them to collect taxes.

#### O'Malley Gives Views

Commissioner O'Malley contended that this was highly controversial subject and stepped to the platform following the presidential address. He desired that this reference to the fraternals be deleted or that he be given an opportunity in open meeting to challenge the statement. President Sullivan ignored his request, stating that he would not change the wording of his address nor was there any justification in a further consideration of the subject. Commissioner O'Malley therefore again took the floor at the closing session and with very caustic and cutting language declared that the fraternals were abusing their power, that even the hundred percents could be criticized, that there had been grave abuses among the societies. He charged them with desiring to evade lawful taxes. He said that they were now regular legal reserve companies writing legal reserve policies and yet did not comply with legal reserve requirements. At the close of Commissioner O'Malley's spirited attack President Sullivan again ignored the Missourian and continued the program with the election of officers.

surance at a bargain, Dr. Dingman said. They knew more about themselves than the companies were able to learn.

Companies, however, are generally benefited by the fact that the life insurance buying public is getting better acquainted with itself, learning the effect of excess in eating, drinking, etc., and how to live longer.

Home office underwriters owe an obligation to the body of policyholders to protect them from unfair intrusion of a minor element which understates or misstates in order to get coverage and thus raises the general cost of protection. Agents in the large cities have this viewpoint, Dr. Dingman said. They realize the ultimate good of insurance outweighs any single case, and also that if their reputation for reliability is questioned at the home office, their submissions will be checked and rechecked with consequent delays in issuing.

#### Medical Side of Motivation

Dr. Dingman said motivation enters the picture on the medical side as well. The examiners who are getting only small monthly checks for their examinations do not have the incentive to do careful work as do examiners getting large checks who desire to retain their reputation for reliability with the home office. Concentration of fees on the fewest physicians possible is the surest way to demand dependable examining service, Dr. Dingman said.

There is a strong motivating force with family doctors to tell no more on first information than is necessary, particularly if the physician has been practicing mental hygiene on his patients. Doctors realize the value of suggestion, of telling a person he is better than the actual facts warrant.

Home office underwriters are subject to motivation also; they are torn between the company's instructions to be careful and the agents' plea to be liberal.

## Expert Best Favors Offer of the Kansas City Life

### HEARD IN MISSOURI CASE

Insurance Publisher and Rater and His Aid, R. T. Smith, Testify in Continental Life Reinsurance

ST. LOUIS, June 18.—After listening to the expert testimony of Alfred M. Best, president, and Raymond T. Smith of Chicago, vice-president Alfred M. Best Company, relative to the merits of the eight bids submitted to Superintendent O'Malley for the insurance and assets of Continental Life of St. Louis Circuit Judge Joynt continued until July 2 various legal matters affecting Continental Life.

Among the motions pending before the court are a request filed by L. L. Sparling, attorney for the Ed. Mays faction, that the court vacate the order of Circuit Judge Ryan entered May 25, 1934, in which O'Malley was directed to take charge of the company for rehabilitation. Sparling contends rehabilitation has been successful, the company is now solvent and should be returned to officers, directors and stockholders.

#### O'Malley Finds Big Deficit

O'Malley takes the position that the company as of Dec. 31, 1935, had a deficit of \$2,400,000 and that it would be unwise to continue the rehabilitation further. He is seeking to have the court issue an order for reinsurance and dissolution of the corporation.

Mr. Best and Mr. Smith agreed that by far the best bid was that of Kansas City Life. Other bidders include: Occidental Life of Los Angeles, State National Life of St. Louis and United Benefit Life. Mr. Best said the Occidental Life was a very substantial company, and the State National and United Benefit were much smaller than Kansas City Life. He said the Kansas City offer was the best that was ever made in a reinsurance deal involving a company presumed to be insolvent. Mr. Best said he believed it would be unwise to continue the rehabilitation process notwithstanding that there has been a substantial improvement.

#### Stability Is Big Factor

Mr. Best and Mr. Smith agreed that aside from Kansas City Life, Occidental Life, United Benefit Life and State National the other offers should not be given serious consideration, since they were not going concerns and that a main consideration should be the financial stability of the bidder and also the kind of management to be furnished.

Among the factors that caused Mr. Best and Mr. Smith to recommend the Kansas City offer were: the size and financial stability of the company, the known ability and integrity of its management, the fact that it is now licensed in all but one of the states in which Continental Life has operated, a very decided advantage in servicing the business in the future; that its proposal was one of outright reinsurance rather than a management contract, that it was the only proposal that definitely stated the date at which the 50 percent lien on reserves should be retired, although it does not say anything about periodical reductions in the lien prior to the 10-year period set in the contract. He suggested that this be changed to provide for periodical readjustment during the 10 years. Furthermore, there is to be no charge for administrative services. The other proposals provide for a charge of \$1 to \$3 per \$1,000 of insurance annually. He said that the Kansas City offer was the first case in which no charge was provided for this management service. It also provides that no interest will be charged on the lien and that death, endowment, disability and other claims shall be paid

in full when they become due. It is understood Kansas City Life is very eager to preserve the good record of registered business. There would be no lien on registered business. There would be no moratorium on loans or cash withdrawals, except they would be subject to the 50 per cent lien.

Mr. Best added Kansas City Life's bid is so favorable to Continental policyholders he would hesitate to recommend it except that the Kansas City company is of such financial stability it is capable of carrying through the contract.

In commenting on the proposals by Occidental Life, State National and United Benefit, Mr. Best said the charges they were asking for services and the other provisions they made as to liens, interest, etc., were in line with other reinsurance deals that have been closed in recent years and entirely reasonable.

About three-sevenths of the \$54,000,000 of outstanding Continental Life policies are registered.

#### Tragle Dies Suddenly

T. E. Tragle, president Virginia Life & Casualty, died suddenly following an operation May 30. His successor has not been appointed as yet.

## Massachusetts Company Men Hear DeCelles in St. Paul

ST. PAUL, June 18.—Life insurance companies of Massachusetts are on an excellent investment basis and there is no reason to criticise any of them in this respect, Commissioner DeCelles of that state told a group of Massachusetts company representatives at a luncheon meeting.

About 40 representatives of six companies domiciled in Massachusetts attended the luncheon. J. F. Adkins, state agent Massachusetts Protective, presided.

#### Has Considerable Power

Pointing out that Massachusetts was the first state to establish state supervision of insurance companies, Commissioner DeCelles said the commissioner in that state now has more power than in most other states.

"We are more strict in our supervision of domestic companies than of foreign companies," said Mr. DeCelles. "While we have a little dispute now and then with the casualty carriers, and differences with the fire companies, we never have had the slightest trouble with the life companies."

He told of the development of insurance supervision in Massachusetts and

said the state has had only 12 commissioners.

He credited life insurance men with selling insurance generally to the public.

"You life insurance agents who have gone out on the firing line and sold protection to millions of men have really been responsible for making the public insurance minded as far as fire and casualty protection is concerned," he said. "Also you were the ones who really sold the country on social security by educating the public in the need and advantages of old age protection. But we all know that the nation and the states can take care of only a small part of the people in this way. It is your job to go out and sell voluntary social security to the great mass of people."

The six companies represented were the John Hancock Mutual Life, Lloyd Lynch and James Quinn, Minneapolis, and Thomas Glynn and William Dempsey, St. Paul; New England Mutual Life, O. A. Reeves, St. Paul; State Mutual Life, O. G. Holmer, St. Paul; Massachusetts Protective and Paul Revere Life, J. E. Adkins, Minneapolis, and Herb Ahrens, St. Paul; Massachusetts Mutual Life, William Becker, St. Paul.

The Standard Income Life of Dallas has filed a charter amendment to change its name to Grange Mutual Life and its location to Kristenstead, Tex.

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The Fidelity is a purely mutual company and always has been. It has no stock or proprietary interest of any kind. It operates under the general agency plan, in thirty-nine states, including New York and Massachusetts.

Its policy contracts are liberal. Every privilege is granted the insured that sound underwriting will justify. It stands for progressive values and dividends—its non-forfeitable values are equitable. It issues all the accepted forms of insurance and has originated some of the best, including the "Income for Life" to the insured, the Permanent Total Disability benefit and the Accidental Death benefit.

Among the contracts in the Fidelity sales kit will be found Modified Life, Endowment at Age 65, "Income for Life," (to which may be added Survivorship income to the beneficiary and a life income for the beneficiary in event the insured dies before maturity.) It also includes Family Income, Family Maintenance, Term 65, Instalment, Continuous Instalment and Joint Life policies—and Disability Income as well as Premium Waiver.

Fidelity's reputation for fair dealing has been won by fifty-eight years of live and let live policy. It is proud of this reputation and rather proud, too, that it is known as a friendly company with warm human contacts with its field.

The FIDELITY MUTUAL LIFE  
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PHILADELPHIA

WALTER LEMAR TALBOT, President



Number four of a series  
— Giving facts about  
the Fidelity.

## Interesting Personalities at the St. Paul Gathering

(CONTINUED FROM PAGE 4)

has been very active in his state and while some may have considered him a show man he has high ideals of his duties. He is very enthusiastic for the "New Deal" and an ardent proponent of what might be termed social justice and social security legislation. He has toned down somewhat from a year ago, is a good mixer and is regarded as a particular friend of the agents in his state.

DeCelles of Massachusetts has been spectacular in his movements and has been on the stage on several occasions. He has not purposely sought the spotlight but has been thrust into it by controversies that have arisen where at times he has taken a positive stand against the companies. Commissioner DeCelles' paper on taxation presented at St. Paul was one of the most thorough going and well thought out productions that has been given that body for a long time. His suggestions were timely and practical. He is a profound and logical thinker. Commissioner DeCelles has a fine presence on the platform. His voice has carrying power

and he is convincing. He may be inclined to be theoretical and yet what is needed in the supervisory field is logical, clear and deep thinking.

Another commissioner that is attracting attention and who has been well trained for his work is Blackall of Connecticut, former state senator, former newspaper man and secretary to Senator Longren of Connecticut at Washington. He has not been spectacular in any enterprise. His paper presented at the convention was well thought out and he stands at the top in the estimation of the insurance fraternity.

### Pink Works Through His Official Personnel

Pink of New York is different in temperament from his predecessors. Most of his work is done quietly and unobtrusively. He is not a platform speaker, is inclined to be retiring, has little to say, but he has his feet on the ground. New York has a set of deputies and department heads, any one of whom would make a good insurance commissioner. Superintendent Pink realizes that much can be accomplished through team work and therefore he brings his cabinet into the picture at all times. In carrying out the New York traditions as to examinations, Superintendent Pink may not have ap-

preciated the mighty wave rolling out from the Pacific coast. He stood his ground courageously against what he feared would be a dangerous course and just how far he will go with the new mechanics of the convention as to examinations remains to be seen.

Yetka of Minnesota, the host commissioner, when he was appointed was looked upon with a certain amount of solicitude because he was brought into office by Governor Olson who is regarded as somewhat of a radical. Commissioner Yetka, however, has made but few mistakes. The agents of his state claim that they have gotten farther with him than most commissioners. He is not a bull in the china shop by any means and is inclined at all times to listen to all that have ideas on a subject and then he forms his opinion after digesting the contributions to a cause.

### Bowen of Ohio Is an Urbane Official

Bowen of Ohio is one of the urbane, refined officials, a man of fine taste and high ideals. At the St. Paul meeting his main plea was for an appraisal bureau for real estate and mortgages which largely has to do with life insurance investments. The criticism that companies might make of this procedure is its expense and yet as Superintendent Bowen advanced with his paper and cited definite instances giving names of companies that had been wrecked through failure of the department to get correct appraisals, one reached the conclusion that the superintendent had a plan that was workable and practical. Associated with him in the Ohio department is Actuary W. A. Robinson, one of the wheel horses, a man of strict virtue and probity. There is no one that stands higher in the estimation of the commissioners than Walter Robinson.

Julian of Alabama is an old timer, having served his state efficiently for many years and then took a whirl in the company ranks, returning to the commissionership after outside experience. "Uncle Frank" is beloved by those who come in contact with him. He has a rich store of southern stories and yet when he gets down to business he has ideas of his own.

### Williams Had Working Knowledge of Insurance

John Sharp Williams, III, the new Mississippi commissioner, comes from a revered ancestry, notable in Congress and the United States Senate. He was formerly a local agent at Yazoo City, served as manager of the Mississippi Association of Insurance Agents and therefore has brought to his office at least a very good knowledge of the local end of fire and casualty insurance.

O'Malley of Missouri, a fire eater in some ways, impetuous, determined, played a big part in the St. Paul convention because he was chairman of the subcommittee of the examinations committee that was working out a proposal for a convention examination on an automatic basis. He has the courage of his convictions, does not fear the devil and will ford the swiftest river if need be to get what he thinks is right. Commissioner O'Malley impairs his effectiveness by his impulsiveness. He is quick on the trigger and perhaps regrets afterward some of the things he says and does when he is aroused. He has had many serious and baffling problems in his state and has been under fire from time to time but he has never shown the white feather.

Mortensen of Wisconsin remains in office because Governor LaFollette is afraid to appoint a successor, fearing that the senate will not confirm the nominee. Commissioner Mortensen's time expired July 1 of last year. There has never been a Wisconsin commissioner that has been reappointed. Commissioner Mortensen therefore is a hold over. He comes from a so-called radical state, is serious minded himself and has been involved in a number of con-

troverseys with companies. No one has ever impugned his honesty. He is conscientious from the ground floor up. He has administered the laws as he reads them and interprets them.

Palmer of Illinois, who takes the presidency, undoubtedly will inject into the association some new ideas and will do much to make its machinery more effective. He is given credit for bringing about the revision of the constitution and by-laws, modernizing them and simplifying the machinery. He has cut out many of the useless and antiquated committees. It is stated that he will address the commissioners, asking them to name the committees on which they desire appointment. He will probably make some changes in the program. For example, at St. Paul there were entirely too many set addresses. At the Thursday afternoon session about half the audience was asleep toward the time of adjournment. There were some live questions that could have been discussed. It would have been very profitable had there been one paper presented at a session and then had the whole meeting opened for discussion not only to the commissioners but to outsiders who desired to express themselves on the subject. The meetings of the commissioners can be made much more efficacious, interesting and gripping. Director Palmer is one of the most brilliant men in the membership of the organization. His work in the convention will be notable and his presiding genius will come into full flower.

### Rehearing Is Denied in the Case of American Bankers

The Illinois supreme court has denied the application for a rehearing, presented in behalf of the insurance department, on its decision which validated the action of the American Bankers of Jacksonville, Ill., in soliciting policyholders to assent to the imposition of liens against the reserves of the policies. The court held that the waivers so obtained might be treated by the company either as admitted assets or deduction of reserve liability. That decision has important implications and has aroused much comment among insurance people and insurance lawyers. The petition for a rehearing was prepared by David Kadyk, former assistant attorney general, now in private practice of law in Chicago.

### Burial Associations Escape

The Texas law of 1935 requiring local mutual aid associations, etc., to obtain a certificate of authority from the insurance department does not require such associations to change the character of their business nor does it repeal the statute which exempts such outfits from the operations of the insurance laws, in general. The Texas court of civil appeals so held in behalf of the Phillips-Luckey Burial Association, and against the board of insurance commissioners.

### Experienced Insurance Man Seeking Executive Position

This man has had 20 years experience in the life insurance business. He has satisfactorily directed the activities of a large selling organization, writing and paying for 50 million dollars of business annually. He is also experienced in the investment and financial departments.

Somewhere there is a company that can profit from this man's knowledge—that can capitalize on his experience—that can benefit by putting him in an executive position where they will realize full value from his ability.

If you want this man, address

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## Time-Tried ... ... Progressive

NEARING the completion of forty-two years of dependable service, The State Life Insurance Company has paid over \$107,000,000 to policyholders and beneficiaries since organization September 5, 1894 . . . In 1935 payments to policyholders and beneficiaries, and dividends to policyholders totaled \$6,818,000 . . . Time-tried performance indicates the service and strength of this progressive company.

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## Caught on the Fly at the Commissioners' Convention

At the Bear Lake Yacht Club Wednesday of convention week of the National Association of Insurance Commissioners at St. Paul a number of men went out for the golf tournament and others to the buffet luncheon and social features. There were two power boats taking parties over the lake. C. A. Dossell, vice-president of the St. Paul Fire & Marine, was chairman of this function. In the golf tournament C. M. Howell, Jr., of Kansas City, Mo., son of the famous insurance attorney of that city, won low net. Carl L. Odell of the Allstate Fire, Allstate Insurance Company and Hercules Life, Sears, Roebuck & Co. institutions, won low gross. A. V. Gruhn of Chicago, general manager American Mutual Alliance, won the prize for the lowest number of putts. W. A. Williams of Fred L. Gray Company of Minneapolis won the prize for blind bogey. D. C. Ferguson of the Pearl Assurance at its New York office got the golf bag in the drawing contest. The commissioners who were awarded prizes were Ketcham, Michigan; Palmer, Illinois; Hunt, Pennsylvania; Earle, Oregon; McNairn, Ontario; Smith, Utah, and Gentry, Arkansas.

On the resolutions committee President Sullivan appointed Tobin, Tennessee, chairman; Carpenter, California, and DeCelles, Massachusetts. On the auditing committee he appointed Bowen, Ohio, chairman; Julian, Alabama, and Gough, New Jersey.

President George A. Boissard of the National Guardian Life of Madison, Wis., who was one of the foremost hosts when the commissioners stopped en route to his city and were taken to the Wisconsin Dells, ran up to St. Paul for a part of the meeting.

There were two prominent officials of the Occidental Life of Los Angeles present, they being Secretary H. J. Brace and Executive Vice-president D. L. Clarke.

Second Vice-president C. S. V. Branch of the Sun Life of Montreal accompanied by Mrs. Branch was at the convention. Mr. Branch met with very painful accident some months ago, breaking his hip and hence he was navigating with the assistance of a cane.

President E. P. Greenwood of the Great Southern Life was accompanied by two of his official staff, Miss Margaret O. Clark of the Dallas office and Miss Jane McDuffie, secretary of the company.

H. C. Thompson of Cincinnati, newly appointed comptroller of the Union Central Life, and Mrs. Thompson were present. They lived in Newark, N. J., until a few months ago. Mr. Thompson was formerly comptroller of the Prudential and later he engaged in independent accounting.

Vice-president C. G. Taylor of the Metropolitan Life was accompanied by his daughter, Miss Katherine, who was a general favorite among the young men.

There were 114 neophytes inducted into the Pamunkey tribe of Real Indians, a large class from the record breaking one at Seattle last year. Of this number, 43 were officials or members of insurance departments. Commissioners Bakes of Idaho, Ball of Porto Rico, DeCelles of Massachusetts, Hammond, of Delaware, Williams of Mississippi and Yetka of Minnesota hit the tribal trail for the first time. Scribe C. C. Klocksin had his hands full looking after the large registration for the ceremony. The total membership of the Pamunkey tribe is now 791.

John Sharp Williams, III, insurance commissioner of Mississippi, is a nephew of the famous John Sharp Williams, who represented Mississippi in Congress and later in the United States Senate with great distinction.

E. C. Stone of Boston, United States manager of the Employers Liability, took a plane from his city in order to be

present at the Pamunkey celebration at Lake Minnetonka on Tuesday evening. He has a prominent part in the ceremony and acting as prelate he administers the oath in a stentorian voice of great and magnificent timber.

Commissioner Murphy of Iowa, who is on a leave of absence from his state because he is commander of the American Legion, sent a telegram of greetings from Los Angeles where he was sojourning.

Mrs. F. J. DeCelles, wife of the Massachusetts commissioner, met with an injury two weeks before the St. Paul meeting, she having received medical attention, supposing she had sprained her ankle. On arriving at St. Paul she was in great pain and a physician there discovered that a bone in her ankle had been broken.

J. A. Marshall, formerly District of Columbia insurance superintendent and now chairman of the District unemployment board, attended the meeting, introducing his successor, J. B. Moor. Mr. Marshall still favors the passage of a bill by Congress prohibiting the mails to unauthorized companies.

Some 30 went to Lake Milacs, over 100 miles from St. Paul, on Wednesday for a fishing trip. There were 68 fish caught, the largest being by F. A. McKennert, manager of the claim department of the Zurich General Liability office at St. Paul, it weighing 8½ pounds. A large boat towed out the small fishing crowd to sea and then returned to a resort where a fish fry dinner was served.

T. J. V. Cullen of New York City, editor of the "Spectator," fell in Milacs Lake on the fishing trip. He was handing his fish up to the large boat from his small boat when the latter cast away and down went Cullen to the bottom of the sea. For once an editor was "wet."

Miss Elsie Lenvy, deputy in the Texas department, was an interested listener at the business sessions and participated in the social activities. She is an important factor in the department.

There were 500 registered at the convention.

C. C. Klocksin of Milwaukee, legislative counsel of the Northwestern Mutual Life and scribe of the Pamunkey Tribe of Indians, left Thursday afternoon on the Hiawatha for his home so that he could attend the commencement exercises at the high school where his twin sons were graduating that evening. He and Mrs. Klocksin returned on the sleeper that night arriving in St. Paul Friday morning for the final festivities.

At the annual celebration of the Pamunkey Tribe of Indians on the banks of Lake Minnetonka, Colonel Joseph Button, the chief, was inducted into membership of the Chippewa tribe, some of the real Indians being present. This took place on the bank of the lake around a campfire with Indian tepees nearby. A large number of new Indians were inducted in the order at the hotel.

Undoubtedly the committee that chose the time of the meeting endeavored to dodge a number of other conflicting dates but did not take into account the fact that that week was the big one for college and high school commencements. A number of those that would have attended were kept at home on account of these events and others had to leave before the meeting was over.

R. G. Waters, casualty insurance commissioner of Texas, and his bride attended the convention on their honeymoon and received special attention on part of the master of ceremonies at the dinner dance Friday evening.

Maj. Claude A. S. Frost, assistant general counsel West Coast Life, died Monday night following an illness from which he had rallied. Major Frost was associated with the law offices of Francis V. Keesling, vice-president and general counsel West Coast Life, San Francisco, more than 20 years and was recognized as a brilliant trial attorney.

## Aside from Unemployment

### EARNING POWER CAN BE STOPPED BY 5 EVENTS

- 1. DISABILITY FROM ACCIDENT
- 2. DISABILITY FROM SICKNESS
- 3. LOSS OF LIMBS OR SIGHT
- 4. OLD AGE
- 5. DEATH

No man can escape all of these 5 hazards.

He will experience at least one of them.

He will either be a dead man or an old man.

In addition, he may suffer disability.

## THE PACIFIC MUTUAL "5-WAY" POLICY GUARANTEES INCOME When these hazards are encountered.

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Insurance Company *INCORPORATED*  
Founded 1858

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—writes Tom F. Ivey, of Sinton. "When Southland Life's advertising for me began to appear in my home-town newspapers, my clients felt a personal responsibility in my success. I hope I will never have to do without this real help."

For further information about this plan write to First Vice-President Clarence E. Linz, or to Vice-President and Agency Manager, Col. Wm. E. Talbot.

**SOUTHLAND LIFE  
INSURANCE COMPANY**  
Harry L. Seay, President  
HOME OFFICE DALLAS, TEXAS

## EDITORIAL COMMENT

### Keeping Idea of Thrift Uppermost

THERE is no doubt that life insurance is feeling the effects of some of the social theories which are prevalent in these times, and perhaps the most injurious of these is that there seems to be a real undermining of the ideas of thrift, which have always largely characterized the AMERICAN public. The basic idea of life insurance, of course, is one of thrift, and if it is to be no longer popular to save money against the rainy day, life insurance is going to be affected. Combined with the attack on ideas of thrift are at least two other factors: first, heavy taxes encourage people in the thought that if the government is going to take away a good part of the savings of the individual in the form of taxation, he may as well spend it while the money is still in his hands; and, second, that the government program of social security is a guarantee, in the minds of many, that the government can be depended upon to take care of one in his old age, if he cannot do it for himself.

Even the most pessimistic do not believe that the underlying ideas of thrift are to be done away with entirely, but it would certainly seem that a larger percentage of the people are imbued with these ideas than ever before. Fear of inflation seems to be dying down, and this is no longer the factor against taking out life insurance that it has

been during the past few years. Certainly at this time there seems to be a tendency to spend money for things other than life insurance; for instance, automobiles, radios, refrigerators and the like. This is perhaps only temporary, and the public will, in all likelihood, get back to the basic conception of thrift, which has been the foundation principle in the building of the life insurance business.

Prior to 1929, when many people had larger incomes and a greater accumulation of wealth than at present, about all that was needed to sell a considerable amount of life insurance was the suggestion that life insurance was a good place for at least a part of one's accumulations, on the basis of diversification; why not put at least a part of your surplus wealth in the form of life insurance? Since this excess wealth has largely disappeared, life agents have been compelled to get back to the old-time arguments of protection and thrift. Just how far the pendulum against thrift will swing is anybody's guess; but it is not conceivable that thrift will entirely disappear from the picture. The average agent is having a hard time of it to keep the principle of thrift uppermost, and at the same time to combat the inclination to purchase the necessities and luxuries of life, and let life insurance go for awhile.

### Insurance Competing With "Things"

A TABULATION in "The Business Week" showing the percent of gain or loss in major industries from the first quarter of 1935 to the first quarter of 1936 makes a bad showing for life insurance as compared with other industries, a loss of 15 percent, whereas all the others show substantial gains. Passenger car sales show gain of 22 percent; commercial car sales of 23 percent; household refrigerator sales 32 percent; value of checks drawn 19 percent; farm income seven percent; electric power output 12 percent; heavy construction 96 percent. What is the reason for this wide divergence in life insurance sales?

In the first place, life insurance is on the upgrade and will probably make a good showing by the end of the year. Life insurance always lags both in going down when a depression starts and in going up when prosperity once more prevails. Life insurance did not go down until 1933 whereas other businesses slumped two years earlier.

Perhaps the most important factor is, as noticed by agents, the people are now engaged in buying "things" with their

income; they are catching up in supplying their practical needs and life insurance will have to wait with many. Another interesting fact is that last year as much money was spent for new annuities as for new life insurance, the first year in which this has occurred. Again men seem loath to bind themselves to a long time contract, such as life insurance. Recently an agent made the request of his company that it furnish annuities in units of \$250 each, as he thought he could sell a lot of them.

There is said to be an undermining of the principle of thrift in this country and that spending, not saving, is the order of the day. People who save their money regret now that they did so, they say, because either the government takes it away from them in taxation or they have lost in the stock market and they might better have had the pleasure of spending it.

The social security act also has had its psychological effect in making people feel that they will be taken care of in their old age by the government.

There is still another factor: Have

agents to some extent lost their morale in fighting their way through the multiplicity of problems encountered in the depression? If they have, we believe it is only temporary. The life insurance forces of the country are better educated and better equipped to talk the facts and needs of life insurance than ever before. They have been diverted from the sale of straight life insurance

for the ordinary man in many ways but are now working back to face the fundamental issue of protection. Life insurance will always be needed and will always be sold in large quantities. It will have its ups and downs to some extent like any other business but the basic need is there and no good life insurance man need feel that his vocation is in danger.

## PERSONAL SIDE OF BUSINESS

**H. J. Mortensen**, Wisconsin insurance commissioner, was general chairman of the annual memorial services at the grave of the late Senator Robert M. La Follette, Sr., in Madison, Wis.

**J. H. Johnson** of Clarksdale, Miss., well known local agent and prominent in his community in a number of important capacities, is still confined to his home following a severe attack of pneumonia, complicated by heart trouble. Mr. Johnson is a former president of the Mississippi Association of Insurance Agents and following the death of Insurance Commissioner Riley of Mississippi he was appointed to fill out the vacancy and served until Jan. 1 of this year with great distinction.

**Allen C. Eastlack**, actuary Wisconsin National Life, Oshkosh, Wis., has been elected president of the Rotary Club there.

**Joseph Moore**, Green Bay, Wis., manager North American Life, was presented a silver service as an award for the large volume of personally written business in the first year with the company. Mr. Moore and a number of agents from cities in that territory were guests of the company in Chicago over the week-end.

**W. H. Forestell**, agency manager Bankers Life of Iowa at Toledo, O., visited the home office en route to Toledo from Tucson, Ariz., where he spent the winter for his health. Mr. Forestell, who is on leave of absence, will spend the summer in Maine.

**D. C. P. Clark**, a medical director for the Mutual Benefit Life, has completed 20 years of service. Before he joined the company in 1916 he had his own private practice in Chicago.

**F. T. Johnson** of Milwaukee, eastern Wisconsin agency manager Bankers Life of Iowa, will hold his annual fishing trip for qualifying agents late this month at Spider Lake, Wis. For a number of years Mr. Johnson has rewarded his top producing agents with this outing.

**A. B. Wood**, president Sun Life of Canada, has sailed for England on a business visit.

The University of Southern California has elected **C. I. D. Moore**, retired Pacific Mutual Life official, trustee. **George I. Cochran**, board chairman of the Pacific Mutual, was reelected president of the university board of trustees and **Asa V. Call** of the Pacific Mutual was reelected secretary. Mr. Cochran was also reelected chairman of the executive, finance and personnel committees, and

**C. I. D. Moore** was reelected chairman of the special insurance committee. **D. E. C. Moore**, vice-president of the Pacific Mutual, was reelected a trustee.

The Nebraska state golf championship was won by **H. R. Wilson**, for the last six years a member of John D. Campbell's Massachusetts Mutual Life agency in Lincoln. Mr. Wilson, four times city champion, had emerged from a two years' retirement only a few weeks before the tournament, and his victory brought the cup to Lincoln for the first time in 32 years.

**C. S. Montgomery**, 66, Los Angeles general agent of the National Life of Vermont for 30 years, died there. He was a native of Kentucky, going to Los Angeles in 1906. He was active in the work of the Los Angeles Life Underwriters Association and served as its president in 1909. He was a substantial personal producer and devoted the last six years mainly to this work. The past few months he had been with the Walter J. Stoessel agency of the National Life in Los Angeles.

One insurance man vastly pleased at the nomination of Alfred M. Landon for Republican presidential nominee is **W. T. Grant**, president of the Business Men's Assurance, who has been boosting the Kansas governor for a year or more, and who acted as treasurer of the Landon-for-President club.

**R. E. L. Herdman**, 71, Nebraska insurance commissioner from June, 1931, to January, 1935, died from heart trouble at an Omaha hospital after a long illness, having suffered repeated attacks while he was in charge of state insurance affairs. Previous to his appointment as commissioner he was in charge of the liquidation of the Lion Bonding of Omaha. Mr. Herdman had previously served as secretary to William J. Bryan in the latter's first presidential campaign, and later was clerk of the supreme court, a member of the Omaha board of fire and police commissioners and secretary of the state Democratic committee.

**H. C. Leavens**, assistant superintendent of agencies of the Travelers, is visiting Pacific Coast agencies. After three weeks in southern California, he went on to San Francisco.

Insurance Commissioner **U. A. Gentry** of Arkansas, who attended the annual meeting of the National Association of Insurance Commissioners at St. Paul, accompanied by Mrs. Gentry, went to Rochester, Minn., for an examination by the Mayo Clinic. He had been there before and is on a repeat visit for ex-

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amination and observation. He is on a rigid diet owing to stomach trouble.

**Ernest Palmer**, insurance director of Illinois, who has been elected president of the National Association of Insurance Commissioners, is at Amherst, Mass., with Mrs. Palmer and his second son, Bradley Jr., who journeyed east to participate in the commencement exercises at Amherst College where Ernest Palmer Jr. is graduating. Mr. Palmer was at the insurance commissioners' meeting at St. Paul, went to Chicago and then journeyed to Amherst. Mrs. Palmer joined her son, Bradley Jr., at the University of Michigan where he has completed his freshman year and the two went to Amherst, Mr. Palmer joining them there. Ernest Palmer, Jr. will enter the Northwestern University Law School in Chicago this fall. The younger son also intends to take up the study of law.

**Howard L. Williams**, who retired as general agent for the Northwestern Mutual in Davenport in 1931, died in that city at the age of 79. He started with the Northwestern Mutual in Burlington, Ia., in 1887.

**E. E. Kirkpatrick**, superintendent of agencies Ohio National Life, is confined to a Cincinnati hospital since a major operation. He is recovering rapidly, and is expected to be out in less than two weeks.

**Alfred Hurrell**, vice-president and general counsel of the Prudential, will be the guest speaker at a joint luncheon meeting of the Rotary and Kiwanis Clubs in Dover, N. J., on "Americanism."

**John W. Newbern**, 59, for many years prominent in life insurance in Oklahoma City, died after protracted illness due to tuberculosis. At the time of his death he was general agent of the Columbian National Life, although for the past year he had been inactive. In 1921 Mr. Newbern was made general agent of the Home Life of New York in Oklahoma. In 1929 he went with the Northwestern National in similar capacity. A few years later he joined the Columbian National. He served as vice-president of the Oklahoma Association of Life Underwriters. Prior to his insurance work he was a newspaper man.

**Julian Price**, president of the Jefferson Standard Life, has been made a Texas ranger by Governor Allred of that state. His credentials consist of a 10-gallon hat.

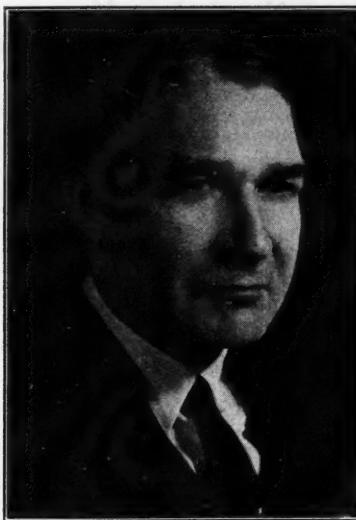
**F. F. Lark**, district manager Equitable Life of Iowa at Onawa, Ia., was presented a diamond set pin in recognition of 25 years' service with that company.

**Carl LeBuhn**, A. J. Thomas and A. K. Fahrner were feted on their 25th anniversary as life insurance associates in Davenport, Ia. For 22 years they have represented the Massachusetts Mutual Life with Mr. LeBuhn as general agent. The three men have sold more than 5,000 policies totaling \$18,000,000 in insurance since 1911. Mr. Thomas has made a record of at least one sale a week since 1914.

**Dr. H. W. Cook**, vice-president Northwestern National Life, has gone east to attend the wedding of his son, Henry W. Cook, Jr., June 19 at Short Hills, N. J. Mr. Cook, Jr., is in the auditing department of the Northwestern National. The bride is Miss Louis Marckwald.

**Elmer W. Snyder**, Cleveland, general agent of the Massachusetts Mutual, was honored on his 65th birthday. President B. J. Perry and Vice-president J. C. Behan were present as well as company representatives from Rochester, Columbus, Wheeling, Cincinnati and other cities. The Cleveland Life Underwriters Orchestra aided in the celebration. A sales session in the morning was fol-

## New York Official Is Head of Committee



LOUIS H. PINK, New York

Superintendent L. H. Pink of the New York insurance department was again elected chairman of the executive committee of the National Association of Insurance Commissioners at the St. Paul annual meeting. He is recognized as one of the foremost officials and his department is conducted in a highly efficient manner.

lowed by a birthday party and reception. A special 30-day drive netted \$800,000 in business which was announced. John W. Wulf, who recently completed over 1,000 weeks of consecutive production and who has been with the agency for 33 years, was honored. A. H. Wise, Edward Allstatter and Mace Martin were presented with 25-year service pins. Mr. Snyder has been with the company for 33 years as a general agent. His agency covers 24 counties of northeastern Ohio.

**W. E. Duncanson**, formerly Atlanta, Ga., manager of the Equitable Life of New York, died at his home in Decatur, Ga. Lately he had been with the Home Owners Loan Corporation.

## Important Reference Book on Fraternals Now Ready

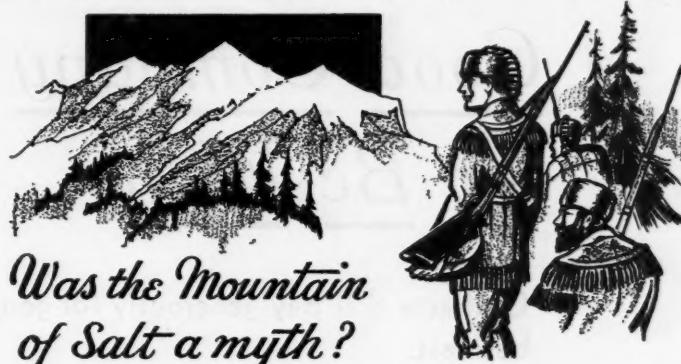
Every life insurance office requires as part of its equipment a reference book on fraternal orders. The fraternals, especially those writing on the reserve plan, are becoming real factors in the field. An office which is not able to supply its agents with accurate information on active fraternals is lacking in necessary equipment.

### Digest Is Off Press

The new 1936 edition of the Fraternal Compend Digest, just off THE NATIONAL UNDERWRITER press, gives the up to date facts and figures on fraternal insurance, in similar form to the showings of old line companies in the Little Gem Life Chart. It covers all societies of the United States and Canada having \$1,000,000 insurance in force. The Fraternal Compend Digest treats them as legal reserve or assessment organizations according to their actual plan of operation.

It shows the financial and actual condition, the cost of insurance to members now admitted, and the essential features of the contracts. A special tabulation of insurance in force on the various reserve bases is given for over 200 societies. Copies of the new Fraternal Compend Digest are available from THE NATIONAL UNDERWRITER'S statistical department, 420 East Fourth street, Cincinnati. The single copy price is \$2.

## NUMBER TWO OF A SERIES



## Was the Mountain of Salt a myth?

"A solid mountain of rock salt 80 miles long and 45 miles wide, glittering in the sun"—this was one of the treasures which the Lewis and Clark Expedition hoped to find in the Upper Missouri Valley. But the Mountain of Salt did not appear. . . . Provident Life has never featured "glittering" goals which may lapse into myths. Its policy has been one of "conservative aggression"—steady growth in each of its 20 years. 1935 showed a 42% increase over the previous year in new business written, and the strongest financial position in Provident history.

If this policy of safety has selling interest for you, get in touch with us!

**PROVIDENT**  
**LIFE INSURANCE CO.**

BISMARCK, NORTH DAKOTA



**T**HE safety of ships at sea is dependent upon the skill and alertness of the pilot—the man at the wheel.

Likewise, the financial security of innumerable individuals is dependent upon the skill of the insurance agent—the man who arranges their insurance programs.

Because of careful selection and training the Pilot Life representative—the man at the wheel—is able to give expert insurance advice.

## Pilot Life Insurance Co.

Emry C. Green, President

Greensboro, North Carolina

# A Good Company To Be With

**Contracts that pay generously for good business.**

**No high pressure drives for volume.**

**As modern a kit of policies and tools as is to be found.**

**A friendly home office crowd where visiting agents always feel at home.**

## **MONTANA LIFE INSURANCE CO.**

*Enduring as the Mountains*

**Lee Cannon, Superintendent of Agencies**

**HELENA, MONTANA**

### **Achievement—**

**An Increase of \$32,955,901.00 Insurance in force during 1935.**

### **Excellence—**

The prestige that arises from financial stability and years of fair dealings is enjoyed by each Anico representative. Practical and attractive selling features open new avenues of business and complete the equipment of the men in the Field.

### **Power—**

**\$554,328,732.00 Insurance in Force.**

**\$56,326,868.37 in Assets and \$11,572,911.56 in Surplus on December 31st, 1935.**

### **Plans—**

Extension of Agency development in both old and new territories.

#### **Ordinary and Industrial**

## **AMERICAN NATIONAL INSURANCE COMPANY** **Galveston, Texas**

**W. L. Moody, Jr., President**

**J. B. Mills, Vice President**

**W. J. Shaw, Vice Pres. and Secretary**

**E. L. Roberts, Vice President (In Charge Ordinary Agencies)**

**F. B. Markle, Vice President**

**W. L. Moody, III, Vice President**

**B. Werkenthin, Vice President**

## **LIFE AGENCY CHANGES**

### **Meek New Indiana Manager of the Acacia Mutual Life**

J. Perry Meek has been appointed Indiana manager of the Acacia Mutual Life with headquarters at 130 East Washington street, Indianapolis. Mr. Meek was agency supervisor of the Penn Mutual Life in Indianapolis for the past three years and for six years prior to that was a personal producer for the Indianapolis Life in Indianapolis. Before entering life insurance he was in the advertising business in New York City. He has a record of an "app-a-week" for the past nine years. He is a past president of the Indianapolis Life Underwriters Association.

In his new connection he succeeds John D. Marshall who has formed a partnership with P. M. Plake, recently branch manager of the Acacia Mutual at Kansas City, Mo., to become general agents of the Northwestern National Life in Washington. Both Mr. Marshall and Mr. Plake were formerly in the home office of the Acacia Mutual in Washington and have a wide acquaintance in that city.

### **Travelers Reappoints Thompson**

The Travelers announces the reappointment of the C. E. Thompson agency as representative in Peoria, Ill. Mr. Thompson has been active in the business in Peoria for almost 21 years. He was connected with the Travelers in all lines until three years ago when he became manager for Connecticut General Life. He was just recently reelected secretary of the Peoria Association of Life Underwriters for the 12th consecutive time.

### **John L. Kelly Resigns**

John L. Kelly, St. Louis general agent of the Provident Life & Accident for the past 18 months, has resigned. He was formerly with the Continental Assurance, Continental Life of St. Louis and Missouri State Life. He has not announced his future plans.

### **Mertz to St. Paul**

J. N. Mertz of London, Ont., has been appointed St. Paul manager of the Sun Life of Canada, succeeding J. D. Serrill, now Minneapolis manager. Mr. Mertz is a native of Minnesota and has been with the Sun Life since 1912.

### **Shaw Retires at Rochester**

George V. Shaw has retired as agency director of the Rochester, N. Y., branch of the New York Life after having served nearly 25 years in that post. He will continue as an agent. Mr. Shaw was guest of honor at a testimonial dinner.

### **Bigler to Oklahoma**

L. B. Bigler, assistant manager of the Salt Lake City office of the California-Western States Life for the past two and one-half years, has been transferred to Oklahoma City as state manager.

### **Dickson to Kansas City**

Scott Dickson, formerly field assistant of the Travelers at Louisville, has been transferred to Kansas City and will work in Missouri and Kansas City. He succeeds Ray Anderson, who went to Santa Ana, Cal., to open an agency.

### **Columbia Life Appointments**

The Columbia Life of Cincinnati has named several new general agents in Ohio: C. C. Merry at Zanesville; R. L. McClure at Cherry Fork; W. S. Pollock at Delaware; F. E. Kirkpatrick at Columbus; the Seward-Taylor agency at Hamilton.

### **Mutual Trust Life Makes Three Agency Appointments**

Three general agents have been appointed by the Mutual Trust Life of Chicago. Ira F. Nelson, agent at Sioux City, Ia., has been transferred to Moline, Ill., as general agent. He has been in life insurance work about 12 years and active in the life association and managers group in Sioux City. John E. Wells, district agent at Des Moines, has been appointed general agent at Waterloo, Ia. He has been in life insurance work a number of years. R. P. Thornton becomes general agent at Boone, Ia., where he has been in charge of the life insurance department of a general insurance agency.

### **Opens Fort Wayne Agency**

A new agency for the Northwestern National Life has been opened in Fort Wayne, Ind., with Gordon E. Bradley as general agent. The agency will be known as the Fort Wayne agency, and will cover the surrounding territory as well. Mr. Bradley has been in the life insurance business in northwestern Indiana for eight years, the past four of which he has spent in Fort Wayne as district manager of the Prudential. The agency has offices at 230 Cooper building.

### **Ohio National Appointments**

The Ohio National of Cincinnati has appointed Chester J. Dale, general insurance agent at Santa Ana, Cal., for 20 years, as its general agent in that territory. John F. DeMent, who served five years as cashier and agent for the Midland Mutual Life at Newark, O., was made general agent there for the Ohio National.

### **Manhattan Life Appointments**

The Manhattan Life announces several general agency appointments. F. V. Gilbert is named at Jamaica, L. I.; H. F. Sonnanstine, Pontiac, Mich.; Brice West, Nashville, Tenn.; Charles Margulio, Brooklyn, and Clarence Spencer at Syracuse, N. Y.

### **Life Agency Notes**

The Central Life of Iowa has appointed H. E. Chevlier district agent at Wausau, Wis.

Robert Moore of Elyria, O., has been appointed district manager for Lorain county of the Mutual Life of New York.

Harry Griffiths of Austin, Tex., has been appointed district manager of the Southland Life at Houston, under A. C. Bayless, general agent.

O. M. McGee of the Columbus agency of the State Mutual Life has been made district manager for northwestern Ohio, with headquarters in Toledo.

C. D. Snobarger, district manager of the Jefferson Standard Life at El Paso for the past seven years, has joined the Los Angeles agency of that company.

J. H. Farris has been appointed district manager at Clarksburg, W. Va., for the Mutual Benefit Health & Accident and United Benefit Life.

### **Dickenson Heads Texas Mutuals**

SAN ANTONIO, June 18.—At the convention here of the Texas Association of Mutual Life Insurance Officials, Corpus Christi was selected for the next convention. J. L. Dickenson, Navasota, was reelected president and S. T. Cobb, Coleman, elected secretary. Vice-presidents are Will Stuckert, Brenham; J. W. Patterson, San Angelo; C. F. Palm, Carrizo Springs; Rex Parker, Corpus Christi, and W. D. Beal, San Angelo.

Speakers included J. J. Timmins of the state insurance department and Mrs. O. J. Curtis, Austin actuary.

## SALES MEETINGS

### Agents Meet at Hot Springs

Honor Men and Home Office Officials Attend Lincoln National Life Eastern Regional Conference

HOT SPRINGS, VA., June 18.—The eastern regional meeting of the Lincoln National Life opened here this week with more than 200 honor salesmen, wives and home office officials attending. The 1936 meetings will have as their keynote "Quality business and quality agents."

The meeting was officially opened by a welcome from Vice-president A. L. Dern. He called attention to the splendid increase in honor club membership over the past two years. A. H. Hammond, superintendent of agencies, discussed "Effective Working Methods" and stressed particularly the plans now being used successfully by leading producers in his territory.

#### Plogsterth Gives Talk

"Where, why, and when—the story of 4,506 applications" was the subject of W. T. Plogsterth, director of field service, who discussed the reported experiences of agents who wrote the applications. That the prime purpose of life insurance is still to protect dependents, according to Mr. Plogsterth, is shown by the fact that three out of every four applications were sold entirely, or in part, for that purpose.

Field men were given an insight into the medical end of underwriting problems by Dr. W. E. Thornton, second vice-president and medical director. Dr. Thornton pointed out the selection of proper risks began not in the medical department at the home office but out in the field with the agent. C. F. Cross, second vice-president and manager of agencies, reviewed the selling attributes a life agent must have in order to be judged a "quality agent."

The morning business session of the first day was closed with the talk, "The Spirit of Our Organization," by President Arthur F. Hall. Mr. Hall dealt largely with morale and management as it affects a life insurance company.

The afternoon and evening of each day was devoted to entertainment and sightseeing. On Friday evening awards to honor club members and other recognition of achievement will be made. The next regional meeting will be at Green Lake, Wis., June 23-25, and the final meeting at Del Monte, Cal., July 13-15.

### Agents' Association to Meet

#### Annual Convention of Northwestern Mutual Life Organization to Be Held July 20-22

MILWAUKEE, June 18.—Plans are already well under way for the annual convention of the Northwestern Mutual Association of Agents, which is expected to bring more than 1,000 field representatives of the company here July 20-22. There is particular interest this year in the new attendance trophy cup offered by the standing committee of the association to the agency with the largest total mileage covered in coming to the meeting. The basis is airline distance from Milwaukee to the center of the general agency field, multiplied by the number of agents in attendance from that agency.

The program will continue past features and a number of novelties will be introduced. Sessions will be held in the auditorium and adjoining hall of the home office building. Previous to the opening of the first general session July 20, Grant L. Hill, director of agencies, will present awards to company and association leaders. Agents attending for the first time will be greeted later by leading producers.

### Plan Milwaukee Gathering

Agents of Old Line Life to Hold Annual Convention at Home Office July 7

MILWAUKEE, June 18.—Agents of the Old Line Life of America will hold their annual convention here July 7, plans for which are in charge of Secretary W. J. Moore, general convention chairman, and H. A. Woodward, manager accident and health department and vice-chairman. The morning will be devoted to a "homecoming" at the home office, to be followed by a luncheon, business session, and dinner and entertainment at the Plankinton Hotel. The program for the general afternoon session will include several well known outside producers who will discuss selling.

Agents who qualify under production will be guests at a three day outing at Lawsonia summer resort near Green Lake, Wis., July 8-10. A breakfast meeting will be held on the last day for the leading producers. President John E. Reilly will address the general meeting in Milwaukee and the breakfast meeting at Lawsonia.

#### Cox Entertains in St. Paul

While in St. Paul, attending the annual meeting of the National Association of Insurance Commissioners, President W. H. Cox of the Union Central Life entertained 40 members of the Minnesota agencies at a breakfast. He was accompanied by Assistant Actuary A. J. Koeppe and Controller Thompson. Minneapolis was represented by Frank Cravens, financial agent, and Paul Hommeyer, manager, while Z. C. Yates, St. Paul manager, headed the group from that city.

#### Regional Meet on Coast

Representatives of the Reliance Life of Pittsburgh, from Oregon, Washington, California and inter-mountain territories, will gather at Del Monte, Cal., June 29-July 1, for an annual regional conference. E. C. Sparver, director of agencies, will open the session. J. N. Jamison, executive vice-president, will talk and present awards. Others who will take part are: C. E. Stumb, assistant superintendent of agencies; B. L. Sichelstiel, assistant secretary; J. F. Johns, assistant superintendent of agencies, formerly northern California manager, and N. J. Nelson, San Francisco manager. A banquet will be held June 30.

A round table discussion for district managers is also planned.

#### Connecticut Mutual Meet

Vincent B. Coffin, superintendent of agencies, held a Connecticut Mutual Life two-day regional conference in Del Monte, Cal. F. O. Lyter, assistant superintendent of agencies, and Thomas K. Dodd, superintendent of applications, spoke.

The home office executives also conducted a meeting for the Ben F. Shapro agency in San Francisco.

#### Hold Arkansas Sales Meeting

The Arkansas sales staff of the Farmers & Bankers Life of Wichita, Kan., held its quarterly meeting in Little Rock. The home office was represented by Frank R. Jacobshagen, secretary, and E. C. Groober, eastern division superintendent. Awards were made in the silver anniversary contests. H. B. Brown, Little Rock, is Arkansas manager.

#### Lynner Agency's Convention

Approximately 30 Iowa agents of the A. T. Lynner agency of the General American Life, attended a one day con-

## MUTUAL TRUST

LIFE INSURANCE COMPANY



AS FAITHFUL AS OLD FAITHFUL

## NOTHING BETTER IN LIFE INSURANCE

A purely mutual full level premium reserve company writing participating insurance only and at all ages (male and female) from birth to age 65.

Operates on 3% reserves and is one of the five or six lowest net cost companies in the United States regardless of age or size.

Licensed in the East as well as the West:

Maine  
New Hampshire  
Vermont  
Massachusetts  
Rhode Island  
Connecticut

New Jersey  
Ohio  
Michigan  
Wisconsin  
Illinois  
Iowa  
Nebraska

Minnesota  
North Dakota  
South Dakota  
California  
Washington  
Oregon

MEN WHO BELIEVE THEY HAVE GENERAL AGENCY QUALIFICATIONS MAY OBTAIN FULL PARTICULARS BY ADDRESSING THE AGENCY DEPARTMENT.

## Keep Up Steam During the Summer Months

MANY life insurance salesmen—and good ones too—work extra hard in June to carry them over what they have come to accept as traditional "tough" months for life insurance selling—July and August.

In spite of vacations, summer selling has many advantages—many businesses are at their peak, family expenses are lighter, prospects generally have more time to be interviewed, and they are not ALL out of town.

Keeping up steam during the summer months brings reward to the insurance salesman, and, summer or winter, there is no slackening of life insurance needs. "Insurable today, uninsurable tomorrow" is an all-year-round possibility with us all.

## THE GREAT-WEST LIFE ASSURANCE COMPANY

HEAD OFFICE  
WINNIPEG, CANADA

vention at Des Moines. The business session in the morning was followed by a sales clinic conducted by Stanley Dickinson, formerly of the Life Insurance Sales Research Bureau. Mr. Lynner, David W. Hopkins, St. Louis, superintendent of agents, and Mr. Dickinson spoke at the banquet.

#### Toledo, Cleveland Meetings

A regional sales meeting was held by the Columbus Mutual Life under the direction of J. A. Preston, sales manager, at Toledo Thursday. Another will be held in Cleveland June 30. They are the annual meetings of the agency associations at those cities.

### INDUSTRIAL

#### Conference at Atlantic City

**Pennsylvania Mutual Life Superintendents in Annual Meeting; Company Shows Large Gains**

The Pennsylvania Mutual Life held its annual superintendents conference at Atlantic City. The state district superintendents and Philadelphia managers also attended the convention of the Insurance Federation of Pennsylvania and were present at both life sessions.

A luncheon was attended by several officers and directors and the agency department was complimented on the successful ordinary production obtained during "Life Insurance Week" when new ordinary business totaling \$521,000 exceeded last year's production by \$200,000.

#### Company Conference Held

At the company conference addresses were made by: J. Frank Devlin, Philadelphia; W. H. McKee, Pittsburgh; John H. Dougherty, Wilkes-Barre; Joseph A. Maguire, Scranton; Joseph M. Woods, Reading; J. H. Mahoney, Erie; G. E. Cragg, Norristown, and Ira E. Kilmon, Chester.

The company for the first five months of this year has equaled the ordinary and exceeded the industrial record for the entire year 1935.

#### Prudential's Michigan Meeting

More than 200 Prudential agents and their wives gathered in Saginaw, Mich., for a business meeting and program honoring A. R. Cuthbertson, Flint district superintendent, who has just completed 30 years of service with the company. Flint, Saginaw and Bay City agents were in the group. Superintendents from Detroit, Pontiac, Lansing, Battle Creek, Grand Rapids and Toledo spoke at the banquet.

Congratulatory messages from the home office were brought by H. H. Steward, assistant secretary, and T. H. Girtanner, division manager.

A new branch of the Prudential has been opened at Port Clinton, O., and will be under the supervision of L. H. Hetrick, assistant superintendent.

#### Meeting Held at Neenah

NEENAH, WIS., June 18.—Following an afternoon of golf, the Fox River Valley Insurance Club held its regular dinner meeting here. In attendance were officials and department heads of the Wisconsin National Life, Oshkosh; Aid Association for Lutherans, Appleton, and Equitable Reserve Association, Neenah, hosts to the meeting. An address on "Business Correspondence" by C. W. Springgate, president Oshkosh Business College, was followed by open discussion. Norton J. Williams, vice-president Equitable Reserve Association, presided.

#### Ousts Two More Examiners

Commissioner Hunt of Pennsylvania has dismissed two more examiners, they being T. J. Kean of Drexel Hill and J. J. Turner of Philadelphia.

## NEWS OF LIFE ASSOCIATIONS

#### Fowler Is Cincinnati Head

**Connecticut Mutual Man Chosen—Schriver Says Insurance Is Greatest Financial Philanthropy**

L. O. Schriver of Peoria, Ill., president National Association of Life Underwriters, addressed the Cincinnati association's annual election meeting.

New officers elected are: L. D. Fowler, Connecticut Mutual, president; L. B. Scheuer, State Mutual, vice-president; J. W. Austin, Penn Mutual, secretary; L. R. Clark, Equitable Life of New York, treasurer; Ray Hodges, Ohio National, national executive committee man; C. F. Brawley, Western & Southern, director two years; W. C. Wilson, Guardian Life, and H. L. Hogan, Equitable Life of Iowa, directors three years.

Honorary life memberships were presented H. W. Hutchins, National Life of Vermont, and J. L. Shuff, Union Central, by W. A. R. Bruehl, Home Life of New York, a leading factor in the reorganization of the local association in 1910 and the first president afterward. Mr. Bruehl has been the association's only honorary member, being given that distinction last year. Before the reorganization, Mr. Bruehl stated, the local association membership was confined to general agents. If the membership basis had not been broadened to include special agents and agents, Cincinnati's two National association past presidents, Mr. Shuff and C. V. Anderson, Provident Mutual, would not have been elected.

Life insurance is the greatest economic idea of the present century, Mr. Schriver declared. He said this "economic device" came into being because some good man loved a woman and wished to find something which would give him an economic immortality. Life insurance will do certain things no other thing will do and is "the greatest financial philanthropy ever devised by man." It has fared less adversely than any other other human institution in the past 100 years.

Life insurance, he said, is the American plan of social security.

The association voted to leave the appointment of state committeeman to the incoming administration. Some confusion was caused when retiring President J. W. Dalzell read the report of the elections committee. Through an inadvertence, the successful candidate for president was erroneously reported by the committee. The ballots were recounted, checking with the committee's report, the error occurring in recording the final result.

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**Richmond, Va.**—Charles W. Phillips, head of the Atlantic agency of the Atlantic Life, was elected president at the annual meeting, succeeding John B. Cary, Northwestern Mutual. Other officers are: Parks P. Duffey, Connecticut General, first vice-president; N. L. Huffaker, New York Life, second vice-president; Daniel L. Williams, New England Mutual, secretary-treasurer. New executive committeemen are P. B. Magruder, J. K. M. Newton and James H. Tracy. Membership is now 138.

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**Salt Lake City**—Walter M. Jones, branch manager Business Men's Assurance, has been elected president, succeeding S. W. Sill, New York Life.

Other officers chosen were: J. T. Butler, Aetna Life, first vice-president; S. W. Daynes, Beneficial Life, second vice-president; F. E. Walker, United Benefit Life, secretary-treasurer. The executive committee includes W. M. Anderson, Prudential; W. A. Carter, Penn Mutual; Ray H. Peterson, Pacific National Life; B. H. Wayne, Prudential, and M. H. Ridges, New York Life.

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**Indianapolis**—The annual meeting will be held June 19. J. F. Elmhirst, superintendent Prudential, Mount Vernon, Ill., will be the speaker.

#### Knagge Elected at Detroit

**New England Mutual Agent Heads Qualified Life Underwriters at Annual Meeting**

Howard B. Knagge was elected president of the Qualified Life Underwriters of Detroit at the annual meeting. He has been prominent in the association; vice-president for the last two years and served for a number of years as general chairman of the business practices and underwriting ethics committee. For three years he has been a member of



HOWARD B. KNAGGE

the state advisory committee which confers with the commissioner. Mr. Knagge has been with the New England Mutual for 15 years as a successful personal producer, and is associated with the A. C. Utter agency.

Other officers elected are: First vice-president, S. W. Ryan, Penn Mutual; second vice-president, R. E. Olmstead, Mutual Benefit; third vice-president, H. E. Schoch, general agent Aetna Life; secretary, J. L. Hindelang, Geo. H. Beach Co.; treasurer, J. H. Kennedy, Equitable of New York; attorney and executive secretary, H. B. Thompson, and national councilman, H. K. Schoch.

Members of the board include the retiring president, D. B. Machum, manager Manufacturers Life, ex officio; E. W. Albachten, Pacific Mutual; H. T. Eastham, Travelers; C. R. Eckert, Northwestern Mutual; Staff Hudson, Aetna; G. E. Lackey, Massachusetts Mutual; C. A. Macauley, John Hancock; F. A. Smart, Equitable of Iowa; R. E. Stringer, State Mutual, and Shirley Wayburn, New York Life.

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#### Texas Life Men Plan Meets

**Managers Conference June 26 in Fort Worth to Precede State Association Gathering**

DALLAS, June 18.—Two big days for Texas life underwriters at Fort Worth are being planned. The annual conference of general agents and managers will be held June 26 and the annual meeting of the Texas Association of Life Underwriters on June 27.

At the first day's luncheon a straightforward discussion of the Robertson investment law will be given by R. B. Cousins, Jr., former chairman of the Texas Board of Insurance Commissioners and later president of the old San Jacinto Life of Beaumont. He is now manager of the Texas Fire Insurance Checking Office.

The first annual meeting of the Lead-

ers' Round Table of Texas will be held in conjunction with a luncheon the second day. Carroll C. Day, Oklahoma City, general agent of the Pacific Mutual Life, will speak at the leaders' luncheon. Sixty-three Texas agents have qualified by paying for \$6,000 of new premiums the year. The Southwestern of Dallas will be awarded a cup by President H. K. Cassidy of the Texas association for qualifying 17, the largest number.

#### Baumann in Charge

Jul B. Baumann, Pacific Mutual, Fort Worth, is chairman of the managers' conference. The theme is "How the Job Is Actually Done." Speakers include O. D. Douglas, Lincoln National, "Recruiting;" Ricks Strong, General American, Dallas, "How to Teach;" Dale Shepherd, Jr., Connecticut Mutual, Houston, "How to Organize and Plan the Year's Objectives;" Barney Shields, Great National, Dallas, "How to Build Prestige;" H. Thad Chidre, State Mutual, "How to Increase Office Efficiency;" and W. E. Talbot, vice-president, Southland, "Contests."

The high spots of the state association's program as arranged by President Cassidy, follow: O. Sam Cummings, secretary National association, on the "Association Movement;" Commissioner R. L. Daniel on the working of the new life licensing law; Miles Abell, Southwestern, Houston, "Standards of Conduct;" C. C. Burnett, Franklin Life, Waco, "Association Membership;" Dave C. Bintliff, American National, Houston, "Stimulating Attendance;" Miss Hazel Roberts, Pacific Mutual, Dallas, "Local Association Finances;" Hedley V. Jackson, Northwestern National, Houston, "The C. L. U. Movement;" and a special report on the progress to date in the campaign of the Texas association to obtain the National association convention for Houston.

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**Northern New Jersey**—At the annual meeting and outing the following officers were elected: President, John Binns, Northwestern Mutual Life; first vice-president, Lloyd D. Harrison, Phoenix Mutual Life; second vice-president, J. Bruce MacWhinney, John Hancock Mutual Life; treasurer, Ernest C. Hoy, Sun Life of Canada; secretary, John E. Gibbs, Penn Mutual Life. Frank W. Henson, Ernest Ginstrom, Jr., and W. W. Garrabant, were elected to the executive committee.

Mr. Binns has been in the life field for 18 years with the Northwestern Mutual Life. He was with the Bristol agency in New York City for 10 years, and with the Gooding & Rowley agency in Newark for eight years.

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**Flint, Mich.**—New officers were elected: President, T. E. Rogers; vice-presidents, H. A. Groesbeck and M. L. Schmidt; secretary-treasurer, J. C. Taunt; directors, H. M. Comins, Omar Potter, C. T. Milner, S. Mason, R. P. Brown, L. McKinnon and D. T. Keay. A picnic and golf tournament will be held June 23 to wind up the year's activities.

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**Texarkana, Ark.**—New officers were installed by V. A. Pate, retiring president: L. L. Arnold, president; T. E. Wreyford, vice-president; Mrs. Margaret Ogle, secretary-treasurer, and George Lewis, National committeeman.

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**St. Louis**—H. H. Cammack, John Hancock Mutual Life, has been nominated for president. The election will be held Friday. Other nominations are: Vice-president, W. H. Van Sickler and Philip O. Works; directors, F. W. Aufderheide, Jr., J. S. Braunig, Adam Rosenthal and L. R. Woods.

At the annual meeting there will also be a dramatic reenactment of the sale of life insurance in the "Gay '90s."

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**Macon, Ga.**—I. N. Champion, superintendent Bankers Health & Life, was elected association president.

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**Jacksonville, Fla.**—At the annual meeting Angus B. Rosborough was elected president; E. J. Becker, vice-president, and Lena K. Garren, secretary-treasurer. F. L. Andress, K. P. Brown, J. R. Castine, J. H. Chaille, Lee MacDonell and J. B. Webster were elected directors. E. M. Morganster is the retiring presi-

dent. F. P. Dearing, legislative committee, chairman, told of efforts to render service to policyholders. The National association is backing the bill in Congress to exempt policies used in payment of federal estate and inheritance taxes from taxation by earmarking those policies for that sole purpose.

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**Los Angeles**—The annual meeting will be in form of a breakfast on June 25. Officers will be elected. J. Harry Wood of the Sales Research Bureau, who has been conducting a school in agency management at Del Monte, will talk on insurance salesmanship.

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**Amarillo, Tex.**—The Northwest Texas association elected W. P. Martin, president, J. W. Timmons, vice-president, and R. L. Graves, secretary.

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**Kearney, Neb.**—Officers elected are: President, Ralph Kiplinger; vice-president, John Boazan; secretary-treasurer, George A. Hall. The association was guest at luncheon to the 23 visiting Lincoln and Omaha underwriters on a good will tour of the principal cities.

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**Boston**—"Building Effective Sales Teams" was discussed by E. W. Enman, Prudential superintendent at Roxbury, Mass. Mr. Enman is a former president of the Vermont association.

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**Omaha**—Herbert Hedges, Kansas City general agent Equitable Life of Iowa, spoke.

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**Evansville, Ind.**—V. U. Poindexter, manager Life of Virginia, was elected president to succeed Russell Simpson, Sun Life of Canada. Other officers are: J. R. Neu, Northwestern Mutual Life, vice-president; G. R. Eastham, Metropolitan Life, secretary-treasurer; B. A. Miller, of Northwestern Mutual Life; Louis Levi, Guardian Life; N. C. Hancock, John Hancock Mutual Life, and Grant Royer, Prudential, directors.

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**Saginaw, Mich.**—Peter C. Burns, manager Manufacturers Life, was elected president, succeeding W. R. Howson. Other new officers are: First vice-president, H. C. Beeson; second vice-president, Isadore List; secretary, C. M. Schrems; treasurer, Lee G. Bennett; new director, Barney Ruff; national executive committeeman, L. D. Johnson. Holdover directors are: H. R. Schnettler and J. H. Duncan. The association has a peak membership of 39.

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**Nebraska**—Omaha and Lincoln life agents participated in the annual two-day good will tour. The two motor caravans met at Fremont for breakfast, took lunch at Norfolk with the local association, which had arranged a large attendance of business men, and dinner at Grand Island. The next day breakfast was eaten at Hastings, lunch at Kearney and dinner at North Platte, in each city the local association being host, with business men and other buyers of insurance as guests. Speakers on the program included former Director Moose, W. E. Rigg of Omaha, W. F. Noble and Earl Best.

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**Ohio**—Raymond Rhoads, assistant Ohio superintendent, has been assigned to visit various life associations throughout the state and explain the new setup for licensing agents, to go into effect July 1.

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**Columbus, O.**—The final meeting will be held later in the month, at which three directors will be named and one to fill a vacancy. A national committeeman also will be chosen.

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**Chattanooga, Tenn.**—"Any scheme of public provision which requires from the individual no act of thrift will inevitably rob the American people of one of the sources of its strength," declared R. B. Hull, managing director National association, who addressed 75 members and guests at a banquet here.

"The better class American does not wish to be a parasite of paternalism, but a creature of his own individualism. To make individualism safe for reasonably prudent men is what life insurance can do, is what it is doing for 63,000,000 policyholders."

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**Davenport, Ia.**—James Copeland, Northwestern Mutual, has been nominated for president. The annual meeting will be in the form of an outing at Credit

Island, June 20. Karl E. Madden, Penn Mutual, was chairman of the nominating committee. Richard LeBuhn, Massachusetts Mutual, is nominated for first vice-president; Charles Kuttler, National of Vermont, second vice-president; Joseph Hilbe, Guardian Life, secretary; Ray Schmidt, Minnesota Mutual, treasurer; F. W. Sanford, Prudential, chairman executive committee, and Paul Otto, Connecticut Mutual, state committeeman.

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**Ronkone, Va.**—T. Woody Evans is the new president; B. D. Colhoun, vice-president; Harold Peterson, secretary; H. S. Winn and K. R. Caskie, directors, and J. C. Hardin, national committeeman.

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**Gary, Ind.**—H. G. Warvel is the new president of the Calumet association, succeeding Isador Raden. W. J. Carlin, formerly secretary, becomes vice-president, and Mrs. Mabel Clark is secretary. Membership has increased from 44 to 60. Mr. Raden said the state association will sponsor a bill at the next session of the Indiana legislature to require examinations of all agents.

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**Rochester, N. Y.**—I. H. Rodwell, New York Life, is the new president; W. T. Hames, Home Life, vice-president; W. C. Knox, Massachusetts Mutual, secretary.

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**San Francisco**—The newly elected association officials headed by President T. A. Gallagher, Prudential, will meet to name the board of directors composed of the chairmen of the 12 standing committees. The new officers were guests at a dinner at the home of President Gallagher. They take office July 1.

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**Des Moines**—H. S. Haskins, state agent John Hancock Mutual Life, will become president at the annual meeting June 20, succeeding C. E. Brown, manager Mutual Life of New York.

Other selections of the nominating committee, expected to be elected without opposition are: Jack Hilmes, Equitable of Iowa, vice-president; Clarence Cooper, Jr., secretary; C. C. Clouse, Bankers Life, treasurer, and M. L. Seltzer, Aetna Life, national committeeman.

S. T. Whatley, vice-president Aetna Life, will be the speaker.

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**Oklahoma**—A. B. Irwin, general agent Northwestern Mutual, was elected president at the annual meeting in Oklahoma City. E. E. Dale, Lincoln National, was made vice-president; E. Meyers, Home Life of New York, secretary; Rollin Baird, Equitable of Iowa, treasurer.

Winners of the essay contest among high school students in Life Insurance Week were introduced. Philip O. Works, general agent Penn Mutual, St. Louis, spoke on "Closing." "Don't forget to ask your prospect to buy," he urged. "Ask him to buy early in your interview and keep on asking at as frequent intervals as possible."

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**Denver**—The annual convention of the Colorado association will be held here June 26, at which officers will be elected. A dinner and dance at Troutdale in the Pines will be a part of the meeting.

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**Manhattan, Kan.**—New officers are: Guy L. Byrd, president; Walter Leonard, vice-president; Harry Johnston, secretary-treasurer. Executive committee: The officers and Paul E. Drake, R. P. Martin, Fred Lamb, Evan Nicholas, Harvey Roots, V. E. Bates, A. R. Springer, Manhattan attorney, gave an address

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**Birmingham, Ala.**—Frank W. Drake, general agent Massachusetts Mutual Life, was named president, succeeding E. A. Raughley, National Life of Vermont. Houston LaClair, Travelers, was named vice-president; O. L. Mims, treasurer, and Mayer Davidson, secretary. Edmund Armes, Travelers, elected national committeeman, succeeding T. J. Huey, Prudential. Fred Chisolm, New England Mutual Life, was named state committeeman. Directors are: J. F. Marshall, H. D. Clark, R. M. Randall, Robert N. Bell, J. W. Holmes, Tram Sessions, R. C. Jordan, Jim Ivey, L. M. Barger and D. M. Hoosier.

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**Alabama**—The annual convention and sales congress will be held in Montgomery June 25-26.

The complete program as announced by President J. O. Ogle of Birmingham includes the following speakers: M. Albert Linton, president Provident Mutual Life; Holgar J. Johnson, Pittsburgh general agent Penn Mutual Life; James

## MANAGERS ASSOCIATION

### Woods Agency Managers in Two-Day Business Meeting

Managers of the Edward A. Woods agency of the Equitable Life of New York at Pittsburgh held a two-day meeting at Fort McAlvay, Pa., as guest of Unit Manager B. L. Seanor, Indiana, Pa. A study of the first five months business was made and plans laid for sales activities for the summer months. The agency reports a large increase in number of cases as well as volume and deposits over the same period for last year, May showing an improvement of 13.7 percent.

A sales contest to run for the entire year is being staged by the four leaders of the agency: F. S. Kailer, Pittsburgh, and Theodore Williams, Corry, forming one team, and M. J. Donnelly, Newcastle, and M. B. Cohill, Pittsburgh, forming the other. At present, the Kailer-Williams team is leading with 95 apps since Jan. 1, as against 72 for the opponents.

### London Managers Elect

G. C. Copeland, Mutual Life of Canada, was elected president of the Life Managers Club of London, Ont. W. P. Gilbride, Great-West Life, is vice-president; J. A. Taylor, Canada Life, secretary. The retiring president, W. A. Torney of the London Life reviewed the year's activities.

### Better Business Program

At a luncheon-meeting of the Life Insurance Managers Association of Los Angeles Robert J. Bauer, general manager of the Better Business Bureau, discussed "The Bureau's Program." L. B. Spaeth, editor of the bureau's "Fact-finder," discussed "Financial Rackets."

### Plan Cleveland Summer Party

The Cleveland Life Insurance Executives Club will hold its annual summer party June 26. The afternoon will be spent at golf or the Cleveland-St. Louis baseball game as individual members may select, with a banquet in the evening.

### Seek 1937 Texas Meet

O. P. Schnabel led a discussion on "Let's Become More Civic Minded" at the June meeting of the San Antonio Life Managers & General Agents Club. Twenty San Antonio managers will attend the state convention in Fort Worth and strive to bring the 1937 convention to San Antonio.

### M. E. Brooks Memphis Head

M. E. Brooks has been elected president of the Life Managers Association of Memphis. J. F. Hall is vice-chairman; C. D. Richardson, secretary. That association is cooperating with other organizations in arranging for a general meeting in Memphis July 10, when Dr. S. S. Huebner is to give a talk.

### Roland New Dallas Secretary

A. A. Roland has been elected secretary of the Life Insurance Managers Club of Dallas, succeeding T. L. Bond, resigned.

E. Woodward, vice-president Life of Virginia; S. F. Clabaugh, president Protective Life of Birmingham; H. M. Powell, Georgia general agent State Mutual Life; T. J. Huel, Birmingham superintendent Prudential, and Hubert Greaves, professor of public speaking, Yale University.

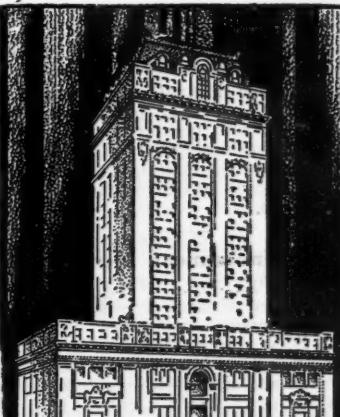
Hartford—R. B. Hull, managing director National association, was the guest speaker at the meeting Tuesday.

growing

every  
month

growing . . .
January gain insurance in force . . . \$1,618,298
growing . . .
February gain insurance in force . . . \$1,972,773
growing . . .
March gain insurance in force . . . \$1,412,217
growing . . .
April gain insurance in force . . . \$1,408,765
growing . . .
May gain insurance in force . . . \$1,495,893

Total Gain for year 1935 . . . . .	\$7,607,450
Total Gain first five months of 1936 . . . . .	\$7,907,946



PROVIDENT

LIFE AND ACCIDENT  
INSURANCE COMPANY

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protecting provident people  
since 1887

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• HEALTH GROUP •

## NEWS OF THE COMPANIES

### Bids for Des Moines Company

Court Will Take Under Advisement the Proposals in the Union Mutual Life Case

DES MOINES, June 18.—Four petitions for reinsurance or rehabilitation of the Union Mutual Life of Des Moines were submitted in the receivership hearing in Polk county district court.

Two further proposals were rejected at the beginning of the hearings. These were filed by Service Life of Omaha, and the Praetorians of Dallas. The first was rejected because the bid included a lien on policies over a specified period of time, forbidden by the court, and because the bidding company failed to file its required deposit of \$10,000. The Praetorians' bid was refused because it did not comply with requirements in general. The Service Life proposed an operating and management proposition.

Considered in the hearing were the bids of Central Life of Iowa, Occidental Life of Los Angeles and the Life Insurance Company of Detroit, all for reinsurance, and the bid of a group of east side Des Moines business men, who proposed to organize a new company, either bearing the same name as the company in receivership or that of another suggested by the court. The last proponent chose to consider the company solvent and would operate it as a going concern with new surplus added, for the sole benefit of policyholders. None of the proposals contained liens and all proposed to liquidate the debts, that of Central Life guaranteeing to carry policies without impairment and to segregate the Union Mutual business in a separate unit.

No decision is expected before the first of next week, since the court took the proposals under advisement.

### Low Lapse Record Set

The Pacific Mutual Life reports its 4.49 percent renewal premiums lapse rate for the first quarter of 1936 is the lowest in its history. It is 33 percent less than for the first quarter of 1935, and 18 percent less than the last quarter of 1935.

### Farm Investment Men Meet

HOT SPRINGS, ARK., June 18.—A conference of farm division managers of life insurance companies was held here. D. W. Dean, Memphis, farm division manager, Metropolitan Life, is chairman and E. R. Richmond, manager farm division, Union Central Life, is secretary-treasurer.

### Propose Increase of Capital

Stockholders of Life of Virginia to Vote on Advancing the Figure to \$6,000,000

A special meeting of the stockholders of the Life of Virginia has been called for June 22 to vote on the recommendation of stockholders that a stock dividend of \$1,000,000 be declared. This would amount to 20 percent of the \$5,000,000 outstanding capital stock. The board has voted to declare the usual cash dividend of 75 cents per share payable June 22 instead of July 1.

A proposal also will be voted so that the company's certificate of incorporation be amended to decrease the authorized capitalization from \$10,000,000 par value to \$6,000,000. This recommendation was made so that the Life of Virginia might qualify in a state under the laws of which all of the authorized capital stock of a corporation must be outstanding.

### Would Enjoin Midwest Mutual

Commissioner Read of Oklahoma has asked the attorney-general to bring suit to enjoin the Midwest Mutual Benefit from doing business in Oklahoma. It is operating on the assessment plan, chartered in Delaware, and has established executive offices in Tulsa, Okla., from which it is doing business through the mails in other states, although none has been done in Oklahoma. The company claims as it has issued no policies in the state it is not amenable to the Oklahoma laws.

### Admitted in Indiana

The National Masonic Provident of Mansfield is now admitted in Indiana to write life, health and accident insurance on members of the Masonic fraternity only. Leroy W. Graham, South Bend, has been appointed to represent the association in the northern half of the state.

### Carpenter Approves Bid

Insurance Commissioner Carpenter of California has approved the bid of the Postal Union Life of Los Angeles for the assets and business of the Great Republic Life of that place. The agreement has been submitted to the superior court for approval.

### Reenters Farm Loan Field

The Yeomen Mutual Life has again entered the farm loan field, which it left in 1924. In making this announcement, President Hoffman declared farm values have now been stabilized on a sound basis and moratoriums, which had a tendency to weaken mortgage con-

tracts, have been curtailed materially. Mr. Hoffman said farm land values for the next few years probably will be rather up than down. He feels that sound farm loans on an amortized basis constitute a good investment at this time. A 37 percent gain in life insurance business in the first five months of 1936 was reported.

### Life Company Notes

The Expressmen's Mutual Life of New York has applied for admittance to Oklahoma.

The Texas Reserve Life Underwriters Company, Tyler, Tex., has been incorporated by B. H. Alexander, A. H. McIntyre and J. M. May.

The Temple Mutual Life and the Mutual State Life of Bartlett, Tex., have been merged.

## CHICAGO NEWS

### MUTUAL LIFE REFEREE DIES

Dr. W. L. Buhrman, assistant medical referee Mutual Life of New York, Chicago, for about 15 years, died of heart disease at the age of 39. He was stricken suddenly, death coming while his wife was attempting to locate a physician. He was born in Nashville, Ill., was a graduate of the University of Illinois school of medicine and was on the staff of the Presbyterian and Chicago Memorial hospitals and an associate professor of pediatrics at Rush Medical College. He was assistant to Dr. W. W. Quinlan, medical referee in Chicago.

### ALEXANDER & CO. CAMPAIGN

The W. A. Alexander & Co. agency of the Penn Mutual Life, Chicago, is conducting a "General Jack Sherman" month campaign in June, in honor of Manager Sherman's 10th anniversary with the agency.

### STOCK QUOTATIONS

H. W. McKinney of G. L. Ohrstrom & Co., Board of Trade building, Chicago, gives the following quotations on the stock of life companies:

	Par	Div.	Bid	Asked
Aetna Life	10	.60	33 1/4	34 1/4
Alliance Life	1		1 1/2	1 1/2
Bank. Nat. Life	10	1.00	21	24
Central Life, Ill.	10		7	..
Cent. States Life	5		3	..
Columbian Nat.	100	4.00	85	95
Conn. Gen. Life	10	.80	45	46 1/2
Cont. Assurance	10	2.00	39	41
Farm. & Traders	100	10.00	185	215
Fed. Life, Chgo.	10		8	..
Girard Life	10	.40	10	11 1/2
Great Nor. Life	10		5	8
Great South Life	10	2.50	33	35
Life & Cas. of				
Tenn.		2.00	15	16 1/2
Life of Va.	20	3.00	90	105
Lincoln Natl.	10	1.20	29 1/4	30 1/4
New World	10	.40	7	7 1/2
Northw. Natl.	5		13 1/4	14 1/4
North Amer.	2		3	3 1/2
Ohio National	10	1.00	22	25
Ohio State Life	100	10.00	225	..
Old Line Life	10	.60	14 1/2	16
Pacific Mutual	1		14 1/2	15 1/2
Philadelphia Life	10		3 1/2	4 1/2
Provident Life	10	.80	12	..
Rockford Life	10		4	8
Sun Life	100		480	500
Travelers	100	16.00	580	590
Union Central	20	1.20	35	45
Wisconsin Natl.	10	.50	15	16 1/2

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### ALBRITTON RECEIVES HONOR

E. S. Albritton, general agent Provident Mutual Life, Chicago, was elected president of the Northwestern University Alumni Association. Mr. Albritton was graduated in 1907 and has been active in alumni affairs.

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### VAN GOLDMAN AGENCY CAMPAIGN

The A. Van Goldman ordinary agency of the Prudential, Chicago, produced a volume of \$1,370,000 during the company-wide campaign in May in honor of Vice-president George H. Chace. The agency wrote 326 applications, with an average of \$4,200 per app. Samuel Rittacco led with 23 applications; Paul Hazard and N. Kyriazis were second with 14.

## NEW YORK NEWS

### PRODUCTION IN NEW YORK CITY

New business figures for quite a few life companies show that New York City business is distinctly off as compared with the United States as a whole. The same situation is found in other large eastern cities, particularly Boston and Philadelphia.

Figures vary considerably, but it is not uncommon to find New York City production 25 percent below the national average. This time it does not appear that the broker, usually an unpredictable quantity, is the cause of the lowered production. According to an official of a company doing a large business in New York City it is the older men among the full time group that are having trouble getting the business. Just as many of them failed to realize that pre-depression sales methods would not work during the depression, many are now failing to change their style of operations from a depression strategy to one geared to a more prosperous condition.

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### HERSCH'S ANNIVERSARY

David T. Hersch's third anniversary as general agent in New York City of the Security Mutual Life was celebrated last week at a party attended by agents and their wives. Guests of honor were President F. D. Russell and Superintendent of Agencies F. L. Mable, both of whom lauded Mr. Hersch's progress in bringing his agency from scratch to a point where it led all the offices for April and attained second place for the year to date.

Mr. Hersch was from 1921 to 1933 unit manager of one of the Equitable Life of New York's largest-producing units in the New York area. For the first five months of this year his agency was 89 percent ahead of the same period last year.

\* \* \*

### MACGRATH HEADS SUPERVISORS

James F. MacGrath, Jr., Fidelity Mutual Life, was elected president of the New York City Life Supervisors Association at its annual meeting which followed the association's outing at Armonk, N. Y. Other officers are J. V. Davis, Equitable of New York, vice-president, and Lowell Baker, Mutual Benefit Life, secretary-treasurer. The executive committee includes S. D. Rosan, William Smerling, Harold Cronin, Walter Vickers, Harold Medlock, Jerome Siegel and William Holdsworth.

## BARLUM HOTEL

WHERE OLD-FASHIONED HOSPITALITY AWAITS YOU



## THIS IS THE YEAR OF RESTORATION!

For five years this country has been tossing aside millions in insurance estates due to inability to pay premiums. 1936 will see a return to the ranks of policyholders, thousands of persons who believe in and need protection for their families.

Are you prepared as a life underwriter with a variety of new and interesting policy forms for this era of restoration?

Find Out What Is New!

## THE SERVICE LIFE INSURANCE COMPANY

John A. Farber, President

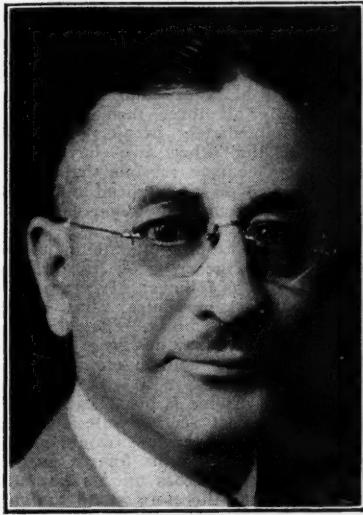
OMAHA, NEBRASKA

## AMONG COMPANY MEN

### Routt Made Agency Director

New Executive of Globe Life of Chicago Has Had 25 Years Experience in Field

Carl S. Routt has been appointed director of agencies and assistant to the president of the Globe Life of Chicago. He will be in charge of the reorganization and building of the agency department and field force. Until recently he was Detroit manager for the Acacia



CARL S. ROUTT

Mutual. He has had about 25 years experience in the field. At one time he was superintendent of agents for the John Hancock in the ordinary department in Michigan, then assistant manager of the Mutual Life of New York at Detroit and was then home office organizer for the Agricultural Life in Michigan. For a time he was home office supervisor of agencies for the Kansas City Life in central and eastern states.

He has worked out a definite plan of systematized efforts and he will introduce this in the field for the Globe Life.

Justin Ford, formerly in the ordinary department of the John Hancock, has been appointed manager for the Globe Life at Kankakee, Ill., with jurisdiction over Vermilion, Iroquois, Kankakee, Lexington and Ford counties.

### Trentman Is Vice-president of Raleigh's Occidental Life

W. H. Trentman has been made vice-president of the Occidental Life of Raleigh, N. C., in charge of agencies. He is rounding out 10 years of service with the company. He entered the life insurance field in 1922 as an agent for the Pacific Mutual. He has been in life insurance for 14 years. He went with the Occidental Life in 1926 and after a number of months as agent he was appointed manager at Charleston, W. Va. Later he was chosen supervisor of the western North Carolina agencies with headquarters at Charlotte. In 1930, he was promoted to agency field director, working out of the home office. In October of last year he was again promoted as head of the agency department and now becomes vice-president.

### Cross with Southern Life

P. R. Cross has resigned as director of agencies of the Occidental Life of Raleigh, N. C., to become agency director of the Southern Life of Atlanta. He had been with the Occidental Life about

10 years. Before entering the insurance business, he was executive secretary for three governors of New Mexico. He was at one time secretary of the Raleigh Association of Life Underwriters and served as president of the North Carolina Insurance Federation.

### Third School Is Planned

Following conclusion of the second term for agents in districts surrounding Cincinnati, A. B. Olson, director of agencies of the Guarantee Mutual Life of Omaha, announced the third school will be held at either Los Angeles or San Francisco the latter part of August. Mr. Olson will conduct the school.

## C.L.U. NEWS

### CHICAGO C. L. U. HOLD ELECTION

L. M. Buckley was elected president of the Chicago chapter of C. L. U. at the annual meeting. Mr. Buckley started in insurance work in 1928 and in 1933 went with the Albritton agency of the Provident Mutual in Chicago. In 1936 he was made assistant supervisor. He is a leading producer.

Other new officers are: Vice-president, Talmage Smith, Meyer agency, New England Mutual; secretary-treasurer, Helen M. Thomas, Kemp Agency, Equitable Life of New York. Directors are: Dave Dawson, Mutual Trust Life; Brooks Fuller, Goldman agency, Prudential; W. W. Gillespie, Henderson agency, Pacific Mutual Life; Eugene Lysen, Bruchholz agency, New York Life; Earl M. Schwemmin, Great-West Life, and R. H. Hamilton, Stumes & Loeb agency, Penn Mutual.

\* \* \*

### MURRELL NEW YORK CITY HEAD

Thomas G. Murrell, manager in New York City for the Connecticut General Life, has been nominated for the presidency of New York C. L. U. chapter. Other nominees are: Vice-president, L. N. Whitelaw, Prudential; secretary-treasurer, R. S. Maechtel, Union Central. Nominees for executive committee members are E. J. Allen, John Hancock; M. W. Benton, Equitable of New York; J. H. Brady, Aetna Life; C. P. Dawson, New England Mutual; Harry Krueger, Northwestern Mutual; and Benjamin Alk, Penn Mutual.

\* \* \*

### SET HUEBNER DAY IN CHICAGO

Huebner Day in Chicago has been set for July 7, when Dr. S. S. Huebner is scheduled to make two addresses in that city on the objectives and accomplishments of C.L.U. There will be a breakfast in the Hotel Sherman for Chicago C.L.U. men and women and a luncheon for agency heads.

\* \* \*

### PHILADELPHIA ELECTION

The Philadelphia C.L.U. chapter has elected P. B. Banks, Equitable Life of New York, president; E. L. Reiley, Penn Mutual, vice-president; C. C. West, Prudential, secretary, and M. W. Lamers, Continental American, treasurer. The board of directors consists of the officers and V. C. Chambers, National Life of Vermont; C. H. Orr, Pacific Mutual; A. F. Mason, Equitable Life of Iowa; B. C. Millikin, Provident Mutual, and S. B. Campion Wood, Travelers. Miss Alice E. Roche of the Provident Mutual Paret agency is chairman of the publicity committee; Mr. Reiley, educational; J. S. Boyle, Union Central, program; E. J. Murphy, Equitable Life of Iowa, library, and M. R. Wallis, Equitable Life of Iowa, luncheon.

\* \* \*

### DISCUSS COMPETITIVE ANGLES

At the San Francisco C. L. U. meeting competitive developments were discussed.

## Old-Timers in Salt Lake City Launch "Deans' Club"

SALT LAKE CITY, June 18.—The club of old-timers in the life field, started some weeks ago, has now taken definite shape. It will be known as the Deans' Club and the membership will be limited to the present five members. Each member has been, and still is, active in the Salt Lake Life Underwriters Association, four out of the five having served it as president, and the other as vice-president. The group will serve this organization, it was stated, in a sort of advisory capacity. Each member has long been active in the civic, political, cultural, social and religious life of the community.

The combined ages of the members of the club total 338, and their combined years of insurance service 162. One of the oldest in service is John D. Spencer, New York Life, president of the club. Other members are: John James, Occidental Life of California, former Utah commissioner; Joseph V. Smith, New York Life; Frank Mozley, Beneficial Life, and Rufus K. Hardy, California-Western States Life.

### Trust Council Reports Ready

BOSTON, June 18.—What is believed to be an outstanding contribution to methods of procedure by life agents handling business insurance trusts has been prepared after months of research by a special committee of the Boston Life Insurance Trust Council and will soon be ready for distribution.

V. E. Blagbrough of the Paul F. Clark agency John Hancock Mutual Life, chairman; Trust Officer James C. Donahue of the Webster & Atlans bank of Boston, and Irving L. Shaw, vice-president Granite Trust Co. of Quincy, constitute the committee of the trust council which has had charge of preparation of the reports.

The "report of uniform practice committee on valuation of stock of a closely held corporation for business insurance trusts" and the report on "making a life insurance policy payable to trustee as beneficiary or assigning a policy or trustee" have been carefully prepared and have been referred to home office officials of leading life companies and to many trust officers of outstanding banks, meeting with unanimous approval.

## PERSONALS

L. C. Cortright, vice-president and actuary Kentucky Home Mutual, has been seriously ill at his home in Louisville and is recuperating from an appendectomy and an attack of pneumonia. He is gradually recovering and is expected to return to his office soon.

A son born on June 12th to Mr. and Mrs. Foster A. Vineyard, of Little Rock, Ark., has been named Gordon Campbell Vineyard. Mr. Vineyard is supervisor in the Gordon H. Campbell agency of the Aetna Life. Mrs. Vineyard was formerly Margaret Campbell, and the young son is named after her father, Gordon H. Campbell, who has been the general agent for the Aetna Life in Arkansas for the last 25 years.

T. C. Young, president Hastings Life Underwriters Association, has been named to the board of directors of the Nebraska chamber of commerce.

### Lamar Life Convention

The Lamar Life is making elaborate plans for entertaining its all stars and conventioners at the annual agency convention in Dallas, beginning July 31. Dr. J. O. Segura, vice-president and agency director, says that the whole convention will be a pleasure trip for the winners, and tentative arrangements are being made for a trip to San Antonio, Houston, and possibly Monterey.

## ACTUARIES

## CALIFORNIA

Barrett N. Coates Carl E. Herfurth  
**COATES & HERFURTH**  
CONSULTING ACTUARIES  
114 Sansome Street  
SAN FRANCISCO  
437 So. Hill Street  
LOS ANGELES

**Frederic S. Withington**  
Consulting Actuary  
317 Willow Street  
New Haven, Conn.

## ILLINOIS

**DONALD F. CAMPBELL**  
Consulting Actuary  
160 N. La Salle Street  
Telephone State 1213  
CHICAGO, ILLINOIS

Specialty, Income Taxes of Insurance Companies  
**WILLIAM W. CHAMBREAU**  
Consulting Actuary and Tax Consultant  
111 West Monroe Street, Chicago  
Organization, Management, Tax Service  
Washington Office Investment Bldg.

## INDIANA

**Haight, Davis & Haight, Inc.**  
Consulting Actuaries  
FRANK J. HAIGHT, President  
Indianapolis, Omaha, Kansas City

**HARRY C. MARVIN**  
Consulting Actuary  
307 Peoples Bank Building  
INDIANAPOLIS, INDIANA

## MISSOURI

**ALEXANDER C. GOOD**  
Consulting Actuary  
Central Missouri Trust Company Building  
Jefferson City, Missouri

## NEW YORK

**MILES M. DAWSON & SON**  
CONSULTING ACTUARIES  
500 Fifth Avenue New York City

Established 1865 by David Parks Fackler  
**FACKLER and BREIBY**  
Consulting Actuaries  
Edward B. Fackler William Breiby  
8 WEST 40TH STREET NEW YORK

## PENNSYLVANIA

**FRANK M. SPEAKMAN**  
CONSULTING ACTUARY  
Associates  
Fred E. Swartz, C. P. A.  
E. P. Higgins  
THE BOURSE PHILADELPHIA

## Home Life Opens Branch Office in New York City



W. G. THOMPSON

The Home Life of New York is opening a new branch office in the R. C. A. building, Rockefeller Center, New York City, which will be under the direction of W. G. Thompson, who has been in the sales division of the company's agency department. He was formerly production manager of the R. G. Engelsman agency of the Penn Mutual Life in New York City. He is a graduate of Lehigh University and of the former New York University life insurance sales training course. While the Home Life is a general agency company, it is carrying forward special activities in connection with its planned estate program and the establishment of the new branch office is an extension of this type of activity.



## HOME OFFICE OPENINGS

Openings in Ohio and Illinois for a limited time under our new, liberal General Agency Contract. Unusual opportunity for aggressive life men to take advantage of an expansion program which includes a complete change of agents working contract for all standard forms of ordinary policies including juvenile and annuities. \* \* \*

Write for  
COMPLETE  
DETAILS

C. E. LINDEMANN  
Superintendent of Agencies

## THE GENERAL MUTUAL LIFE INSURANCE CO.

VAN Wert, Ohio • C. M. Purrott, Pres.

## Group Life Is Now Making Big Strides

(CONTINUED FROM PAGE 1)

Incidentally, the recent post-depression spread of group life plans ran into what appeared to be a pronounced lack of interest among many employees to whom the plans were proposed. Confidential talks with some of the men revealed that their apparent lack of interest was due solely to their fear that accepting the plan openly, in the presence of co-workers, would give away the fact that they had been so hard up that they had been forced to drop all their other life insurance.

### Webster Elected President

#### Annual Meeting of the Pittsburgh Life Underwriters Association Chose a Very Strong Ticket

S. E. Webster, general agent of the Provident Mutual Life, has been elected the president of the Pittsburgh Life Underwriters Association succeeding L. C. Woods, Jr., Edward A. Woods Company.

Other officers: Erroll Ripley, Northwestern Mutual Life, first vice-president; Ray H. Finger, Sun Life of Canada; second vice-president; W. R. Furey, Berkshire Life, treasurer.

Edward M. Aiken, lone "repeat" officer, will continue as secretary.

New directors are Barney Lipka, Mutual Life of New York; C. B. Metzger, Edward A. Woods Company; H. S. Brownlee, New England Mutual Life; H. T. Burnett, Reliance Life; John E. Davis, Massachusetts Mutual; P. W. Gerhardt, Metropolitan Life; R. W. Waddell, Connecticut Mutual and F. C. Wigginton, Bankers Life of Des Moines.

Guest speaker at the induction session will be Grant L. Hill, agency superintendent of the Northwestern Mutual Life.

### Surprise Party for Ireland

A surprise meeting of 12 State Mutual Life general agents at the home office to pay their respects to Stephen Ireland, vice-president and superintendent of agencies, culminated a drive in May which resulted in the largest issued business recorded by State Mutual since March, 1932.

The general agents and seven home office executives were assembled in the directors' room when President Chandler Bullock sent for Mr. Ireland, who had not been told of the meeting. Mr. Bullock then turned the meeting over to General Agent George S. Lott of Dayton, O., president of the General Agents Association, who introduced F. A. Merrill of Buffalo, dean of State Mutual general agents.

Mr. Merrill presented Mr. Ireland a set of golf clubs and a bag. A gold plate on the bag was inscribed with the date and occasion.

### "Ad" Steering Group Meeting

NEW YORK, June 18.—The executive committee of the Insurance Advertising Conference will meet at the Hotel New Yorker to select the date and place of the annual convention.

## ILLINOIS OPPORTUNITIES

We have excellent openings for General Agents at

### PEORIA

Salary and commission, sales helps, home office cooperation. An exceptional opportunity for two live, experienced men who want to grow with a growing company. Write T. H. Young, Supt. of Agents.

### SPRINGFIELD

YEOMAN MUTUAL LIFE INSURANCE COMPANY  
"A Modern Old Line Company"

DES MOINES, IOWA

## What Actuaries Call Sport

The hors d'oeuvres at the dinner of the American Institute of Actuaries in Minneapolis consisted of some mathematical problems devised by the examination committee consisting of D. Cranke Finicky (Frank D. Kineke, Prudential), Fierce Cowherd (Pearce Shepherd, Prudential), and Abnormal Growth (Alton Groth, Equitable of Iowa).

Herewith are some of the questions and answers:

Q.—Six amoebas in a bowl reproduce at the rate of six per minute. In 40 minutes they and their offspring, reproducing at the same rate, fill the bowl. How long did it take to fill the bowl halfway?

A.—Thirty-nine minutes.

\* \* \*

Q.—A smoker who was out of cigarettes managed to collect in his hotel room a total of 36 butts, too short to be smokable. By experiment, however, he found that he could make a cigarette out of every six butts. So he made and smoked as many cigarettes as he possibly could. How many did he smoke?

A.—Seven.

\* \* \*

Q.—A man was rowing up stream, and as he passed a mile-post marker on the shore his hat blew off and was carried down stream by the current. It was an old hat, and he continued to row up stream, meanwhile debating as to whether he would get his hat. He rowed up stream for 10 minutes, then turned around and intercepted his hat at the second mile-post down the river. The hat in other words had drifted exactly one mile. Now the problem is—how fast does the current in the stream run?

A.—Three miles per hour.

\* \* \*

Q.—Can you form four equilateral triangles using six matches?

A.—Use three matches to form equilateral triangle on table. Place one end of each of the three other matches at the angles of the triangle, bringing the other ends together to form a pyramid.

\* \* \*

Q.—A bug in the bottom of a silo 18 feet high climbs up at the rate of two

## May Reduce Three Percent Valuation

(CONTINUED FROM PAGE 1)

in 1951 and due in 1954 was sold at par. Highest grade industrial and utility bonds yield about 3.10 to 3.15 percent. Occasionally good securities can be had at a 4 to 4½ percent basis.

As long as there is a substantial saving on mortality, as there normally is, it constitutes an effective cushion against the effects of low interest rates. However, when interest earnings get below the valuation figure, the excess interest factor becomes a negative amount and while it would be possible to evolve a dividend formula with a negative factor in it, actuaries believe it would be better and more conservative simply to change the reserve basis for new business.

feet in 12 hours, then rests 12 hours during which he slips back one foot. Assuming he starts to climb at 6 a. m. on Feb. 15, 1936, on what date and at what time of day does he reach the ground on the outside?

A.—March 8, 1936—6 p. m.

\* \* \*

Q.—Three men are blindfolded and seated. A fourth man announces that he will paint a cross on the forehead of each and that the cross will be either black or white. After the crosses have been painted the three men are permitted to take the blindfold from their eyes and look at each other. Actually all the crosses are white, although the men do not know it. They are instructed as follows: If you see a white cross, snap your fingers and as soon as you know whether the cross on your forehead is black or white, stand up.

Naturally all three men snap their fingers immediately because each can see that the other two have white crosses. One man reasons that he has a white cross on his forehead and stands up. The problem is, how does he reason that his cross is white?

A.—The reasoning of the man who deduced that the cross on his forehead was white is as follows: My cross must be either black or white. First, I shall assume that it is black. The other two men (whom we may designate as A and B) are snapping their fingers, and therefore each must have a white cross in view. But if mine is black, each of the other two must see a white cross on the other's forehead. A would reason that B is snapping his fingers because he sees a white cross on A's forehead, and A would therefore stand and announce that his cross is white. By the same reasoning, B would determine that his cross is white, and would stand. But neither has risen, so my original assumption that my cross is black must be incorrect. Therefore, the cross on my forehead must be white.

## General American Plan to Mutualize

(CONTINUED FROM PAGE 5)

nel. Provision has been made that no officer or director of General American or of Southwestern Life shall be an officer or director of the other company.

The contract provides that the Texas interests will pay for 4,500 shares within a year, 5,500 shares the second year and 5,000 shares for each of the next four years. As a guaranty the Dallas interests will post \$50,000 in government bonds which will be forfeited to General American for the benefit of Missouri State account should there be any failure to go through with this agreement. The stock being purchased from General American will be offered to other stockholders of Southwestern Life.

The 30,000 shares of Southwestern Life stock sold by General American are being transferred to the Dallas Service Corporation, recently organized by stockholders of Southwestern Life. It is headed by T. L. Bradford, Jr.

H. G. Hoffman, general agent of the Minnesota Mutual Life at Mt. Sterling, Ky., has had insurance on the lives of six of the last seven Kentucky commissioners. The six were: C. W. Bell, Clarence Thomas, Matt C. Clay, C. M. M. Saufley, G. B. Senff and the newly appointed commissioner, Sherman Goodpaster. Mr. Saufley later withdrew his application, due to the fact that he found it increased his premiums beyond his budget, but did endorse Mr. Hoffman's agency in a letter.

Mr. Hoffman enjoys the distinction of having "the oldest life insurance office, under the same family name and management, in the United States," his office having been established by his grandfather, William Hoffman, in 1847.

## LEGAL RESERVE FRATERNALS

### To Issue Three New Forms

**Lutheran Brotherhood to Bring Out American Experience 3% Contracts July 1**

The Lutheran Brotherhood is preparing and will have ready for issue July 1 three new policies on American Experience 3 percent basis. These are endowment at 85, double protection to 65 and decreasing insurance—whole life from age 70. The endowment at 85 limits are 16-64 for men and women and \$5,000 or \$10,000. No more will be issued on this plan than would make total insurance in force \$10,000. Waiver of premium and double indemnity clauses may be added. This is a select risk policy and will not be issued on sub-standard basis. Annual premium rates per \$5,000 are: Age 16, \$73.74; 20, \$79.61; 25, \$88.63; 30, \$100.15; 35, \$115.07; 40, \$135.80; 45, \$163.72.

The double protection form will be issued in units of \$1,000 to both males and females, ages 6-55 inclusive, giving double protection to age 65 after which it ceases. It is a continuous premium plan payable for life. Waiver of premium and additional indemnity may be added. Premium rates per \$1,000 with double protection to age 65 are: 16, \$28.65; 20, \$30.32; 30, \$35.98; 40, \$45.07; 50, \$59.94.

The decreasing insurance—whole life from age 70 form gives protection throughout life for uniform premium, no cash value being built up until insured attains age 70, when it becomes whole life. This is a decreasing term form, amounts of insurance for each year being governed by the fixed semi-annual premium of \$10 payable at all ages at entry. The face amount is \$2,000 to attained age 28, gradually decreasing to \$150 whole life at age 70. The minimum policy is a unit providing for semi-annual premium of \$10 at any age at entry, and the maximum five units. This will not be issued in amounts which would increase total in force to more than \$10,000.

### Auditor Mason Is Dead

H. M. Mason, chief auditor Standard Life, Lawrence, Kan., for 18 years, died at the age of 76 following an operation.

### Royal League Field Conference

A field workers conference will be held at Chicago July 12-13 by the Royal League.

## Achievement!

### 1925-1935

Assets Increased . . . 1189%  
Surplus Increased . . . 564%  
Insurance in Force  
Increased . . . . . 443%  
Ratio of Assets to Liabilities  
109.29%  
Actual Deaths to Expected  
35.89%

For a Greater Field  
in Selling, Write—

**LUTHERAN  
BROTHERHOOD**  
LEGAL RESERVE LIFE INS.  
Herman L. Ekern, President  
Minneapolis Minnesota

### Convention Plans Shaping

**New Constitution and By-laws for National Fraternal Congress Prepared by Committee**

New constitution and by-laws are being prepared by a committee of the National Fraternal Congress for submission at the annual meeting to be held in the Waldorf, New York City, August 25-27. A. W. Fulton of Chicago, counsel Security Benefit Association, is chairman of the committee.

The various sections, including the Presidents, Secretaries, Actuaries, Medical Directors and Press, will meet the day before the general sessions start, on Aug. 24. There will be a meeting of the new Field Men's Section at the Waldorf Aug. 22. N. J. Williams, vice-president Equitable Reserve of Neenah, Wis., is chairman. He and Fred Johnson of the Royal League, Chicago, conferred in that city this week regarding the program for the section meeting.

The congress program is being prepared by President P. F. Gilroy of the Woodmen of the World, Denver, president of the congress.

### Change Vetoed in 1935

An effort was made at the Pittsburgh annual convention last fall to secure approval of a new constitution and by-laws but, after long argument when it became apparent the convention would run over into extra time on the issue and the opposing interests were adamant in their stands, the proposed document was tabled indefinitely.

One of the moot points was rearrangement of societies' representation which would have changed the voting setup considerably.

### After Unlicensed Societies

**Illinois Fraternal Congress to Prepare List to Submit to Insurance Director Palmer**

The Illinois Fraternal Congress is preparing a list of societies doing a life insurance business in the state without license, and will submit it to the department in an effort to regulate the situation in the state. President D. T. Winder reports it is common knowledge a number of societies are not reporting to the department. Mr. Winder in a bulletin to congress members calls on them for names of societies believed to be operating without authority, name and address of an officer, nature of business done and number of members, if this information is obtainable.

The new fraternal insurance act, Mr. Winder says, clearly requires the licensing of all insurance societies not exempted under provisions of section 26, the director to determine whether a society is exempt.

The list being prepared by the congress will include societies with a charter from the secretary of state under old laws. "This will be for the general good and will help promote public good-will toward fraternal societies by removing unsound insurance organizations," Mr. Winder comments.

### Maccabees Hold Convention with 3,000 in Attendance

MUSKEGON, MICH., June 18.—Some 3,000 members of Maccabees orders from all parts of the country gathered here for the golden anniversary convention. A memorial tablet was unveiled to "Mother" Ward, founder of the Lady Maccabees. There were several colorful ceremonials, including a huge parade, participated in by about 2,000 persons and an elaborate pageant portraying significant events in Michigan history.

E. W. Thompson, head of the Maccabees, called the order the pioneer in the field of financial security for infirmities of old age. Commissioner Ketcham, Governor Fitzgerald and President Roosevelt sent felicitations.

### Mrs. Talley Guest Editor

**President Woodmen Circle of Omaha Took Charge of the "Bee-News" for a Day**

OMAHA, June 18.—Dora Alexander Talley, national president of Woodmen Circle with home offices here, was a guest editor of the Omaha "Bee-News," a Hearst newspaper, one day recently.

Mrs. Talley, in an editorial on the American woman in business, stated: "Eleven million business women in the United States today form a very definite part in the economic system of our country. . . . Women have always been heavy investors in America. The modern woman's investment in America includes her right to own property and to invest her earning for profit and security; the right to enjoy the higher standards of living and the right to assume her share of direct responsibility in matters of citizenship."

"The progress of a nation depends upon a clear and firm public opinion and in the making of that public opinion the business woman can and does have a far greater influence than is popularly supposed."

Mrs. Talley, a former Texas schoolteacher, was elected to her present post in 1934. She is responsible for a field force of 1,000 agents, mostly women, and supervises a children's division of 30,000 members. The Woodmen Circle has \$30,000,000 in assets and \$110,000,000 of insurance in force.

### Reports on Ontario Results

Decline in premium receipts in all funds was noted for fraternal societies

### One of a Series on . . .

operating in the province of Ontario in 1935 by Superintendent McNair in his annual report. Mortuary certificates at the end of the year totaled \$77,757,163, a decrease of 9.5 percent. Premiums (including dues) totaled \$2,739,192 and disbursements \$3,071,335, compared to \$3,283,264 and \$3,543,243 respectively in 1934. There were 37 fraternals licensed in the province in the year, including eight municipal pension fund societies which do not issue mortuary certificates.

### Slovene Society Elects

The Slovene Progressive Society of Chicago at the annual convention elected John Kvartich of Bridgeville, Pa., as president. Other officers are: Vice-president, Rudolph Lisch, Cleveland; secretary, William Rus, Chicago, reelected; treasurer, M. G. Kuhel, Chicago; assistant secretary, Anton Zaitz, Forest City, Pa.; director juvenile department, Michael Vrbovnik, Houston, Pa.; medical director, Dr. F. J. Arch, Pittsburgh.

### Searle Named Secretary

George A. Searle has been appointed secretary of the field department of the A. O. U. W. of Minnesota. He formerly was connected with the Minnesota Mutual Life, first in the secretary's department and then in the actuary's department for two years, going with the A. O. U. W. in 1934.

### Lay Plans in New England

The New England Fraternal Congress will meet at Boston in November and hold its mid-summer meeting in August, either at Marblehead or Swampscott, Mass., it was decided at a meeting of the executive and legislative committees. Prizes will be offered for outstanding work of individuals this year, the prize winners to be guests of the congress at the meeting and receive certificates of merit.

Read the *Accident & Health Review*, sample copy 10c. A1946 Insurance Exchange, Chicago.

### "The Messages of Woodcraft"

## Rendering Service—Plus!

**MODERN WOODMEN OF AMERICA** is a fraternal beneficiary Society. It maintains the Camp system, Ritualistic work, representative form of government. It has no capital stock, and is not organized for profit.

### It Practices Fraternity

The sick are visited and helped, those members in distress are given relief, financial aid is donated to the needy, employment is found for those who are out of work, and often their monthly payments are protected; deceased members are laid away with impressive ceremonies and afterwards their graves are decorated annually; their families are not forgotten nor neglected; friendship, fellowship, social and civic activities are maintained in

the various communities through Camp action, or by committees or authorized individuals representing the local Camp.

### Lives Are Saved

Through its Sanatorium, more than ten thousand members afflicted with tuberculosis have been given free treatment, most of their lives saved and prolonged for the benefit of their families and their communities.

### It Is Truly Modern

Modern Woodmen of America fully and thoroughly qualifies as a fraternal beneficiary Society, entirely aside from what it promises to do in its benefit certificates held by members. Thus, it is clearly distinguished from other forms and lines of life insurance. Its forms of certificates are truly modern to fit the needs of men, women and children.

## MODERN WOODMEN of AMERICA

EXECUTIVE OFFICE:  
LINCOLN, NEBRASKA

Legal Reserve Life Insurance for Men, Women and Children

HEAD OFFICE:  
ROCK ISLAND, ILLINOIS

## Examination Plan Was a Big Issue

(CONTINUED FROM PAGE 3)

started by the western coterie. This bloc first made itself manifest in getting the semi-annual meeting at Hot Springs, Ark., instead of New York City as had been usually the meeting place. This was a revolt of Main street against Wall street. However, it would seem that the far western people were determined to go farther, even if the more conservative commissioners as a friendly gesture voted for Arkansas as a meeting place in the executive committee, that being the determining body which, of course, had to be ratified by the convention as a whole. Commissioner Gentry of Arkansas is well liked and he and others joined with the western bloc in advocating Hot Springs.

The western conference held its annual meeting at St. Paul, undoubtedly there further cemented its relationships and decided to put an opposing candidate to Mr. Palmer. There was some talk in the hotel lobby and rooms about

Mr. Palmer, but it was felt that the opposition would not crystallize. When it came to the election, Boney of North Carolina nominated Mr. Palmer and Cochrane of Colorado nominated Carpenter of California, which was seconded by Holmes of Montana. Some of the commissioners of other states undoubtedly felt that the far western bloc was "rushing the mourners" in putting up another Pacific Coast candidate after Sullivan of Washington had been elected a year ago. However, there were 13 votes cast for Carpenter and 21 for Palmer. It was discovered after the roll had been recorded that Ball of Porto Rico, who was present for the first time, had not voted and the Pacific Coast captured his ballot.

### Some Recruits Mustered

Of the western conference bloc there were eight commissioners present who would naturally vote for Carpenter unless Sullivan of Washington stood by his guns and voted for Palmer. Smith of Utah does not affiliate with the conference in its political activities. Granting that Sullivan voted for Palmer, there were five other commissioners that joined the far westerners. These undoubtedly were officials against the government or who had some personal resentment against Mr. Palmer, as he has been aggressive in his administration.

There was some talk that some company organizations, enraged at Mr. Palmer's attitude in advocacy of his code in Illinois, attempted to use their influence in a subtle way against him. This was discounted by some of the observing commissioners, although the report was passed around and made an impression. One of the commissioners in the executive session remarked that it might be well for the commissioners to have an annual meeting at which the third house would be requested not to be present. Mr. Palmer had gained favor by his very finished and excellent response to the addresses of welcome, which showed him at his best.

### Interference Is Resented

If, as charged, any organization or company men did endeavor to wield influence in the election it was certainly ill advised. Some years ago when an attempt was made to elect S. W. McCulloch of Pennsylvania as president, one of the company organizations wired a number of commissioners its hope that he would be chosen. This action was deeply resented by a number of members, who rightly contend that the commissioners should not be subject to pressure by insurance interests in electing officers of their own organization.

### Nominations Were Made

Williams of Mississippi placed Bowles of Virginia in nomination for the vice-presidency, while Boney of North Carolina nominated Read for secretary. Palmer nominated Pink of New York for chairman of the executive committee.

Palmer of Illinois called attention to the fact that it was highly desirable to have some continuity as to members of the executive committee and advised the

reelection of some so that the committee would not be entirely new. There were a number of commissioners put in nomination, but the committee was recast with the exception of Gentry, Blackall and Gough. Carpenter of California, Ham of Wyoming, Earle of Oregon and McClain of Indiana retired. The western bloc did not fare so well on the executive committee, getting only Cochrane. Smith of Utah, who was voted down a year ago, was elected to membership. When it came to the pinch a number of nominees withdrew, so that there was no great contest in the election.

At the executive session Julian of Alabama reported for the subcommittee on misallocated premiums that came up in the south, largely due to cotton floaters. The investigation of company records was made by Markell & Martin of New York City. Three commissioners were named on the committee, they being Julian, Bowles of Virginia and Tobin of Tennessee. Commissioner Julian reported the fact that large sums have been recovered.

Tobin of Tennessee introduced the resolution of thanks for the hospitality of Minneapolis, St. Paul and Minnesota people in general and Commissioner Yetka of Minnesota and Mrs. Yetka and George W. Wells, secretary Northwestern National Life, who was chairman of the local arrangements committee, in particular, for the abundant hospitality.

### John Sharp Williams on the Program

John Sharp Williams III, Mississippi commissioner who was to have presented his paper on social security acts Tuesday, was the starter on the program Thursday morning. He said that no one can rely on old age pensions to take the place of life insurance. He feels that the old age plan will only serve to emphasize the value of life insurance. Commissioner DeCelles of Massachusetts in his address on taxation proved a powerful speaker and clear thinker. He leaves a good impression in his public utterances.

Commissioner Smith of Utah, one of the sound and well balanced commissioners, spoke on the same subject as Mr. DeCelles. He declared the premium tax should not be greater than would be forthcoming on the basis used for other corporations. Some retaliatory laws, he stated, are vicious. He urged equality of taxation on all forms of carriers.

## Boom Started for Cummings of Texas

(CONTINUED FROM PAGE 4)

Cummings served as chairman of the committee to foster establishment of new associations. That committee aided in the organization of 29 new associations. Mr. Cummings also served as chairman of the committee to arrange a conference of local association officers at the Milwaukee convention in 1934. He served as chairman of the committee to survey plans for celebration of the 50th anniversary of the National association. He was chairman of a spe-

cial committee on state and regional associations and he is now actively engaged as chairman of a special committee on national safety.

Mr. Cummings is perhaps best known for his work in bringing about reorganization of the structure of the National association. He started the movement at the Toronto convention in 1930 and kept at the job until the program was adopted in 1934.

Mr. Cummings is Texas general agent for the Kansas City Life. His is the largest general agency of that company.

## J. A. WITHERSPOON

In listing last week the trustees of the National Association of Life Underwriters who would be eligible to election as vice-president or president at the annual meeting this fall, THE NATIONAL UNDERWRITER made the regrettable error of failing to include John A. Witherspoon of the Pacific Mutual in Nashville. Mr. Witherspoon is serving his second term as a national trustee. He received the most number of votes of any other nominee at the last association election. He has been active throughout the entire south in building membership for the association, appearing before many by invitation as guest speaker and has done much to create a better understanding of association activities throughout that section.

## TRUSTEESHIPS

PITTSBURGH, June 18.—The Pittsburgh Association of Life Underwriters plans to back Holgar J. Johnson for reelection as a national trustee this autumn. Mr. Johnson is general agent of the Penn Mutual Life. He is serving now his second year as trustee of the National association.

### HERBERT A. HEDGES

Herbert A. Hedges of Kansas City, general agent for the Equitable Life of Iowa, has been put forward for election as a trustee of the National Association of Life Underwriters. The Life Underwriters Association of Kansas City and the General Agents & Managers Association of that place adopted a joint resolution in behalf of Mr. Hedges. The joint committee consists of J. F. Trotter, Mutual Life, Dallas Alderman, Kansas City Life, and Charles L. Scott, Massachusetts Mutual.

Mr. Hedges started in the business in 1919 as an agent for the Equitable of Iowa. In 1924 he was transferred to Kansas City as general agent with jurisdiction over 40 counties in western Missouri and eastern Kansas. He has served in every office of the Kansas City association, being president in 1930. He is a present national committeeman and will be the official representative of Kansas City at the Boston convention. He has had an important part in the meetings of the general agents and managers section at the National convention.



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LIFE INSURANCE COMPANY

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# SALES IDEAS AND SUGGESTIONS

## Sales Builders Are Presented at Lincoln National Meet

Prospecting, sale of annuities, salary continuance plan and business insurance were some of the subjects on which pointers were given at the eastern regional conference of the Lincoln National Life at Hot Springs this week.

In discussing prospecting Maurice E. Cohill, leading producer for the first five months of 1936 of the Edward A. Woods agency Equitable Life of New York, Pittsburgh, declared: "Prospecting is an art and, like any art, must be cultivated if a brilliant technique is to be acquired. The same qualities that make Fritz Kreisler a master of the violin are the qualities and character that must be possessed by anyone who is ambitious to succeed or excel in any chosen vocation."

### Art of Prospecting

Mr. Cohill discussed the art and mechanics of prospecting. Under the art of prospecting, Mr. Cohill stressed the necessity for preparing a prospecting talk. "Have a skillful talk prepared to obtain prospects the same as you would to sell life insurance," he said. "The more this is practiced the more effective it will be. Stick on the prospecting job most of the day Monday but do not consider you have a prospect until you get the card of introduction to him. Have plenty of your own cards with you so that your friends may give you a proper introduction and write a word of commendation of you to the new prospect."

## SALES IDEAS OF THE WEEK

### PERFECT LIFE WEEK

The Charles J. Zimmerman agency of the Connecticut Mutual in Newark is conducting a "Perfect Life Insurance Week." Seven suggestions have been made by Mr. Zimmerman to his agency force and if all of the suggestions are followed, he claims that a life underwriter will have a perfect week.

The suggestions are: Start your field work before 9:30; have a morning interview by appointment; have a luncheon appointment with a prospect, client or center of influence; have an afternoon interview by appointment; have an evening interview by appointment; secure the names of two qualified prospects; get an introduction to a prospect.

\* \* \*

### SELLS SON, FATHER BUYS

R. T. Besser, representing the Lincoln National Life in Chicago, recently brought a sale into the closing stages almost before the prospect himself realized that a sale was to be made. So considerably did he act, however, that the buyer, a busy executive, voluntarily wrote a letter of commendation for the methods employed.

Mr. Besser sold his man on the idea of increasing the size of a policy he was carrying on the life of his son. The prospect suggested waiting, however, until the young man came home from college before completing the "app." Knowing that his prospect really intended to buy, Mr. Besser drove to the school, asked the son to sign the application, and returned to the office of the executive.

The contract was purchased without further delay.

Under the mechanics, Mr. Cohill touched on prospects from newspapers, personal introduction, mutual friends, and other sources which are placed on plain white prospect cards immediately after the information is secured.

### Will Power Is Necessary

Mr. Cohill closed with the reminder it takes great will power to follow a successful method. "I once heard a very successful agent say," Mr. Cohill said, "that he did not mind telling anyone his methods because they wouldn't use them anyhow; human beings are too darned lazy to follow successful principles, even when they are laid down for them."

The presentation of the Lincoln National five star annuity was given by M. H. Morewitz, Norfolk, Va., a new man in the life insurance business who has made a splendid sales record. He gave as the advantages of selling an endowment annuity type of policy, the fact that it automatically places the salesman before a better class of prospects, the agent can sell protection plus investment, the agent has a satisfied policyowner, and that, in spite of the fact of the larger premium involved, chances of lapsing are less than those of a low premium policy. Mr. Morewitz stressed the necessity for ability to listen on part of an agent. "An agent always wins an argument, but loses the sale," he said.

### Salary Continuance Plan

The subject of "Salary Continuance" was discussed by W. W. Teekell, Shreveport, and H. H. Delp, Columbus, O., who pointed out that the salary continuance plan of insurance did away with the "cost bugaboo." It was stated the question of cost scares off more agents than prospects. The salary continuance plan is so attractive to the average man the question of cost is removed in a number of cases.

W. M. Sinclair, Bound Brook, N. J., who has placed a number of corporation insurance cases, elaborated on business insurance from two viewpoints; first, to indemnify the business for the loss of human assets or brains and the second, life insurance for liquidating purposes. He advised a careful study of corporation law and corporate

set-up so that the wrong use of business insurance would not be emphasized.

"Don't tell your prospect he may die. In your sales talk, put him in the past tense. Then you are telling facts that impress him. He knows whether he has the money then to buy out an associate's interest or whether his associate has the money to buy out his. He knows whether or not he would like to be working for the family of one of his associates; trying to explain to a curious widow why the business could not give her as much as her husband used to get out of it."

"Planning one's day, keeping records, and time control," was discussed by H. J. Wasserlein, Sr., Cleveland, who said, "Men are quite liable not to do the things that they know they should do and to do the things they know they should not do. The lawyer must plan his case before he goes to court, the physician must plan a surgical operation in its minutest detail. In our profession it is even more essential that we keep records because an analysis of these records can reveal our weaknesses in any of the factors that go to make a sale."

### Suggestions on Interviews

The E. A. Woods agency of the Equitable Life of New York at Pittsburgh gives some suggestions on interviews which are worth while. The agency says:

1. Don't talk life insurance to a man on the street or in your home. Answer questions courteously and then suggest an appointment in your office or his.

2. Don't talk life insurance at a social gathering or when engaged in recreation. If questioned, make an appointment and see him at your office or his.

3. Don't ask for personal information in the presence of a third party, such as a secretary or business associate.

4. Don't try to have a closing interview when you have only a few minutes or when the prospect is obviously busy. Make an appointment for after business hours or for a later date.

5. Do try to have the prestige that comes from knowing a mutual friend, from testimonial letters, from referred leads, or other prestige-building methods.

6. Do spend as much time in preparing for your selling interview as you will in giving your sales talk. A wise real estate agent will paint and paper his house and then wait until the evening sun is casting just the right shadows before he shows the house to a prospective buyer.

## Haphazard Work Spells Failure

KANSAS CITY, June 18.—Irregular effort, which covers haphazard planning and work, plus haphazard selling are the two predominant causes of the failure of life agents, Harry C. Booker, assistant manager and educational director, told the A. M. Embry agency of the Equitable Life of New York.

Most agents are well trained in these days, Mr. Booker said, but the life underwriting failures indicate that many of them still are not using that education. The agent may know how to plan, and how to sell, but he doesn't.

### Hard Work Alone Won't Make Living

The agent may succeed with hard work alone, but a man who merely goes about telling other men they ought to have more life insurance won't make a good living.

"It requires a real job of selling to convince a man he ought to sacrifice—

give up baseball games, buy a suit or two less a year, and so on—for the protection of his family."

It is the man who must be sold the necessity of sacrifice who is buying the insurance of today, Mr. Booker continued. The whole institution of life insurance depends on the average man, the man who buys \$2,000 to \$5,000 at a time, as he can, for the protection of his family.

The Embry agency has adopted two plans for insuring agents against loss by laziness or loafing. The first is that agents staying out of the office, aren't allowed in until they produce an app. They must report twice a day, in person or by telephone, the number of calls, interviews and sales.

Another trend noted by Mr. Booker is that country agents are working harder, and producing more business, as a class, than heretofore for five years.

### Grasshopper Agent Can Learn a Great Deal from the Bee

BY L. A. CHAFFIN

Mr. Chaffin is an agent at Anadarko, Okla., a county seat of 5,000 people located in the Indian country. He has averaged an application each working day for the past three months. He has written \$100,000 in business so far this year. He was 11th among the leading producers of the Kansas City Life in May and he is determined to be among the first five leaders in June.

The insurance agent who begins each day with a definite plan and a definite sales goal will get more business, I find, than one who "follows his nose." No matter how much an agent may know about insurance—no matter how clever he may be in persuading men to think his way, he must plan his work and work his plan.

Don't be a grasshopper agent—one of the kind who hops here and there and everywhere—going nowhere, getting nowhere—just jumping and hopping all day long. You cannot arrive if you have no place to go. Model your work after the honey bee. The bee knows where he is going before he starts, he flies in a "bee" line directly to that place. He takes one flower after another and drains it of its honey. There is no waste effort, no lost time in the way a bee works. He makes each trip produce the maximum in results and each day the maximum in honey. The successful underwriter does the same thing. He manages himself so each case stands on its own feet and each day yields a full quota of applications. He organizes his territory and he organizes himself.

### Make Prospect Feel Need for Insurance

Did you first make the prospect feel the need of insurance? A strong company is a wonderful asset, but unless desire has been created it is of very little value. You must first reduce quality to things men want more than the money required to have them. They all want those left behind to be provided for. A wise salesman stops in time to let the buyer sell himself. Proverbs 15:32—He that refuseth destruction despiseth his own soul. Call no day done until you have made at least one new friend. Have you ever seen a dissatisfied policyholder who wasn't well supplied with friends?

Once I wrote State Manager Mersfelder for sympathy and the gist of what he replied was, "The best way to sell more is to work more and loaf less," and the home office said, "Write your own pay check with your fountain pen of time." People are more interested in their needs than anything else.

### Hoping Is Poor Substitute for Hoofing

Loud dress and loud talk have caused many salesmen to go unheard, and I have always been suspicious of the man who is easily sold life insurance, and I have also observed, "hoping is a mighty poor substitute for hoofing."

A few life insurance men think—all the rest only think they think. Some salesmen are better predictors than producers. According to Walter Cluff, "learn to excel and you will surely sell." Look and listen, but don't stop.

### Renominate Commissioner Knott

TALLAHASSEE, FLA., June 18.—In the Democratic primary W. V. Knott was renominated as state treasurer and ex-officio insurance commissioner.

## Action As to Examinations

(CONTINUED FROM PAGE 2)

iners has been developed over a period of years to the point where we are capable of making an efficient and comprehensive examination of any of the 400 companies incorporated under the insurance laws of New York. Many of our examiners have been with the department since the reorganization of our examining bureau and their broad experience in this work is the most important element in our examination organization.

### Method Has Been Satisfactory

"Complying with the New York law, we have always undertaken the examination of New York companies by our own examining staff. We would be hesitant to embark upon any program looking to a change in this method which has proved satisfactory for over 25 years even if the law would permit us to do so, which it does not. On the other hand, we do not deny the right of any state to adopt a policy which best suits its own needs and requirements. But this is a right which we also ask for ourselves.

"Some states in addition to New York have adopted the policy of the examination of domestic companies by their own examining forces. Some have sought the assistance of other states. The former plan might be termed the direct method and the latter the cooperative method. Both systems have been rightly recognized by this association. The cooperative method resulted in the creation of the convention examination procedure. Each plan should be available for use as circumstances justify.

### Definite Procedure Laid Out

"The present by-laws of the association provide a definite procedure for handling convention examinations. Without the consent of the commissioner of the home state, no convention examination shall be arranged unless the committee on convention examinations 'satisfies itself that the best interests of insurance supervision would be served by conducting such examination without such consent.' The New York department voted for this by-law and supports it whole-heartedly. At any time that it may refuse consent to a convention examination of a New York company, it is willing to have a convention examination if the committee satisfies itself that such examination will serve the 'best interests of insurance supervision.'

### Questions to Be Asked

"The questions that must be the basis of the committee's decision are:

"Will the New York examination be inefficiently or improperly conducted?

"Does the New York department refuse to furnish any information relative to its examination to any interested state?

"Will the New York department refuse to obtain additional information not covered in its examination when requested by any other interested state? "If the answer to each of these questions is 'no' we feel that no sound argument or reason can be advanced for a convention examination. Nevertheless we would still recognize the right of the convention committee to direct a convention examination and the right of individual states to conduct their own separate or joint examinations of New York companies if they are not satisfied with our examination. We would cooperate with them and furnish them every assistance.

### Desires to Cooperate

"While the superintendent of insurance of New York voted 'no' on the resolution on convention examinations adopted by the association at St. Paul for the reasons heretofore stated, he desires to cooperate with the convention committee as far as it may be possible to do so. The New York department will notify the chairman of the commit-

tee of the completion of each examination of a New York company doing business in three or more states and offer to the committee the privilege of sending representatives of interested states to New York for the purpose of reviewing in detail the working papers, findings and conclusions of our examiners before the report on examination is officially filed. If any questions are raised by this review, they will be investigated fully and if additional information is necessary, our examiners will be directed to return to the company under examination to make such further investigation as may be necessary. This procedure should furnish interested states a complete and accurate check upon the accuracy and thoroughness of the New York examiners and should make it possible for commissioners of other states to concur in the New York report if they so desire.

### Policy of New York Department

"We intend to respect and recognize the examinations of domiciliary states of foreign companies doing business in New York reserving, of course, the right to make any investigation or examination that may be necessary when the answer to any of the three questions presented above is in the affirmative. We do not plan to participate in convention examinations called without or even with the consent of the home state commissioner unless exceptional circumstances demand such action. The New York department believes this policy is the best for both the New York companies and their policyholders wherever located. We would be derelict in our duty to those to whom we are responsible if we agree to any other course of procedure."

## Heart Situation Is Greatest Problem

(CONTINUED FROM PAGE 3)

more general in the United States today and while life companies may not be accepting rabid communists as risks, nor even those "deeply pink," undoubtedly many pale pinks are getting policies, and they feel they have ownership rights in the life insurance assets and perhaps are less scrupulous in their representations. Thus is left the question whether the general moral tone of applicants may not be somewhat lower than before the depression.

### Restrictions Not Solution

Mr. McAndless emphasized that if the insurance need is unreasonable there is no way to rate the risk. Reasonableness must be assured for safe underwriting. No restriction of form is sufficient, he said, to counteract the bad effect of the unreasonable cases.

He cited the case of a banker who applied three or four years ago for a relatively large amount of life insurance with double indemnity when previously he had not carried much. The total line with that in force and that applied for was inconsistent with his income and the company refused double indemnity clause and limited the policy to a higher premium form which the man accepted. Subsequently his bank closed, then he went swimming in a lonely lake and later his body was found.

### Other Aspects of Motivation

Mr. Parker emphasized the difference between agents and brokers in regard to field selection. He said the agent sticks to one company, builds a reputation for reliability, may be treated more liberally on borderline cases, whereas the broker, Mr. Parker said, deals with all companies and looks for soft spots. This accounts for the companies' more stringent attitude in considering all brokerage business. He said it was significant when one sees advertisements and

circulars of brokerage agencies offering a market for borderline cases.

A highlight of the meeting was the comment of Dr. J. M. Livingston, medical director Mutual Life of Canada, in regard to a Canadian proposal to rate at any and all ages when blood pressure readings reach 140 over 90. Dr. Livingston showed the proposed schedule of blood pressure ratings which Canadian company medical departments are considering and which, he said, if approved and adopted will keep off the books many early heart deaths.

### Blood Pressure Discussion

Dr. Carl Lovelace, medical director Amicable Life, also made the point that 140 over 90 never can be considered standard and that the upper limits of normal blood pressure have been too high and must be reduced. This comment came in the discussion during the third day's session on cardiac hypertrophy and essential hypertension as a factor in mortality.

Dr. J. E. Boland, medical director Country Life, Chicago, in discussing cardiac hypertrophy made three points, that a risk may have serious heart disease without any cardiac hypertrophy; that thyrotoxicosis does not produce a hypertrophic heart or any changes unless there is a coexisting heart condition, and that if in selection there could be separated the thyrotoxicosis cases where coexistent heart disease does not exist, more favorable consideration could be given to them.

### Heredity Is Debated

An interesting series of discussions related to the weight which can be given heredity in selecting risks. Dr. Raymond Pearl, professor of biology Johns Hopkins, Baltimore, said to be a world authority in biology and genetics, gave the theme in his fine paper digested in last week's issue. Dr. J. Keith Gordon, assistant medical officer, Sun Life of Canada, commented on the difficulty of getting thoroughly reliable family history and emphasized that using heredity as a factor in underwriting is not entirely satisfactory. He gave results of a test which he conducted, interviewing 150 physicians to secure 52 dependable medical family histories. He selected the medicos because they were an educated and well informed class and could be expected to be more reliable than any other type in this connection.

### Dr. Cook Gives Views

This discussion arose in consideration the first day of the topic of constitutional factors in disease of the cardio-vascular-renal system. Two cases of deaths due to this disease between ages 40-80 make a risk sub-standard, Dr. H. W. Cook, vice-president and medical director Northwestern National Life, declared. He eliminated the effect of such deaths occurring before age 40 as he said they are probably due to rheumatism, etc., and thus do not indicate impaired cardio-vascular-renal tissue in the family.

Dr. Pearl closed this discussion, drawing attention to the difference between families whose histories he studied in the laboratory at Johns Hopkins and those falling in insurance statistics. His families were chosen of an age where end results of the parents and grandparents would be known, and the younger generation was of sufficient age for tendencies to develop more or less fully. In life insurance so many applications are taken from ages 20 to the early 40's that sufficient time does not elapse to indicate how many cardio-vascular-renal deaths might ultimately occur, Dr. Pearl said.

### Convention Men Attend

Gerard S. Nollen, president Bankers Life of Iowa and president American Life Convention, and C. B. Robbins, manager and general counsel of the convention, extended greetings, as did Dr. Eugene F. Russell, medical director Mutual Life of New York and president Association of Life Insurance Medical Directors. Attendance was over 200 of whom about 65 were visiting ladies. The 1937 meeting place was not selected, but Colorado Springs and Green Lake, Wis., were prominently mentioned. It was

felt the western companies should be recognized in determining the meeting place to encourage greater attendance.

The annual banquet was informal, followed by dancing.

The discussion of peptic ulcer the second day developed that surgeons and clinicians are much more optimistic in their views than are insurance medical directors. Dr. Waltnan Walters outlined operative methods which the Mayo Clinic has found safest and most satisfactory. He is in the division of surgery.

### Consider Peptic Ulcers

Dr. B. S. Cornell, editor "American Journal of Digestive Diseases and Nutrition," spoke from the medical viewpoint. Dr. F. L. Grosvenor, medical director Travelers, felt that time is needed to develop experience before life companies should become more liberal in underwriting such cases, even after apparently satisfactory recovery. Dr. Cragin expressed doubt that the peptic ulcer risk ever should be considered standard, no matter how satisfactory is the recovery. Opinions were widely divergent on this subject. Mr. McAndless said his company's experience was not unfavorable on recovered peptic ulcer cases and he saw no reason for increasing the rating.

Dr. T. H. Dixon, Jr., medical director Minnesota Mutual Life, led off the third day in discussion of cardiac hypertrophy, assisted by Drs. Boland and Livingston. Dr. DeWitt Smith, medical director Southwestern Life, and Dr. M. L. Graves, medical director Seaboard Life, contributed fine papers in the discussion of essential hypertension-mortality aspects. The meeting closed with ten round table conferences.

Dr. H. W. Cook, Northwestern National, was in charge of the golf match. A deluge occurred the first afternoon.

### Delegates Are Selected

Delegates selected to the Association of Life Insurance Medical Directors meeting were J. R. Neal, Alliance Life; S. DeZell Hawley, Atlas Life; W. R. Calderwood, Beneficial Life; E. F. Robinson, Business Men's Assurance; J. L. Andrews, Columbian Mutual Life; J. L. Evans, Farmers & Bankers; Hall Shannon, Gulf States Life; H. J. Laws, Lafayette Life; C. R. Henry, Provident L. & A.; R. J. Graves, United L. & A.; H. E. Van Riper, Wisconsin Life; V. S. Caviness, Occidental Life of North Carolina.

## Western Conference Elects H. H. Earle as Its President

(CONTINUED FROM PAGE 3)

any hospitality of a company official or anyone else connected with it. He said that too many attempts had been made by companies to incur the favor of examiners through lavish hospitality. A number of the western conference states participated in the General American Life examination and a confidential report was reviewed.

## Canadian Government Lost \$400,000 on Annuity Business

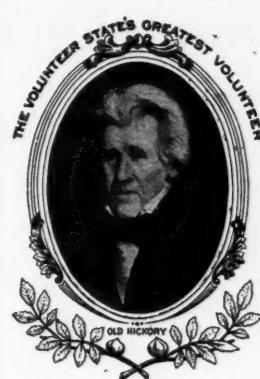
OTTAWA, CAN., June 18.—Canadian government competition in annuities may be eased as a result of the report of the senate's special committee which has been studying annuity questions. Last year the Dominion treasury lost \$400,000 in its annuity operations. The committee found the mortality tables are obsolete and the annual loss to the public treasury is substantial. The 4 percent interest rate which was reasonable when the annuity measure was enacted should be reduced to 3½ percent due to investment conditions, the report said. The committee recommended that the cost of administration, salaries and commissions, if any, be included in the charges. No definite increase in rates was suggested.

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surance facilities embrace so wide a field that  
prompt policy issuance—regardless of size—is  
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policy contracts, issued from birth to age  
65.

Liberal remuneration for the production  
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More than \$40,000,000.00 paid policy owners  
and their beneficiaries since organization in 1903.

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### The Columbus Mutual Offers

**First—THE ADVANTAGES OF OPERATING YOUR OWN AGENCY.**

**Second—LOW COST INSURANCE TO SELL.**

**Third—LIBERAL COMMISSIONS FOR SELLING IT.**

**Fourth—IDEAL WORKING CONDITIONS.**

Vested Renewals—

Unrestricted Territory—

Automatic Promotion—

Equality of Opportunity—

No one to interfere, dictate or coerce—

Every influence helpful, inspirational—

Reward determined not by chance, by guess, or  
by favoritism, but by results—

The larger the production, the higher the rate  
of compensation—

You do not have to fight for a better contract—  
You rise to your rightful level without let or hindrance.

**THE COLUMBUS MUTUAL LIFE  
INSURANCE COMPANY  
COLUMBUS, OHIO**

## JACKSON SQUARE

Jackson Square, originally the Place d'Armes or public square of New Orleans, was laid out in 1720 by Bienville, the city's founder. Here has been the scene of historical events for more than 200 years. The arrival of the "Casquet" girls in 1727; the reception of the Acadians from Nova Scotia in 1755; the official transfer of Louisiana from France to Spain in 1769; the mad welcome of Jackson after his victory at Chalmette; the second transfer of Louisiana from France to the United States in 1803—such are only a few of the momentous events which have transpired on this historic ground here in old New Orleans.

\* \* \* \* \*

Individuals have momentous events too. Birth . . . graduation . . . marriage . . . the first born . . . a new home . . . old age . . . death. Perhaps not so glamorous as the events in New Orleans' Place d'Armes, but momentous?—to the individual, indeed yes!

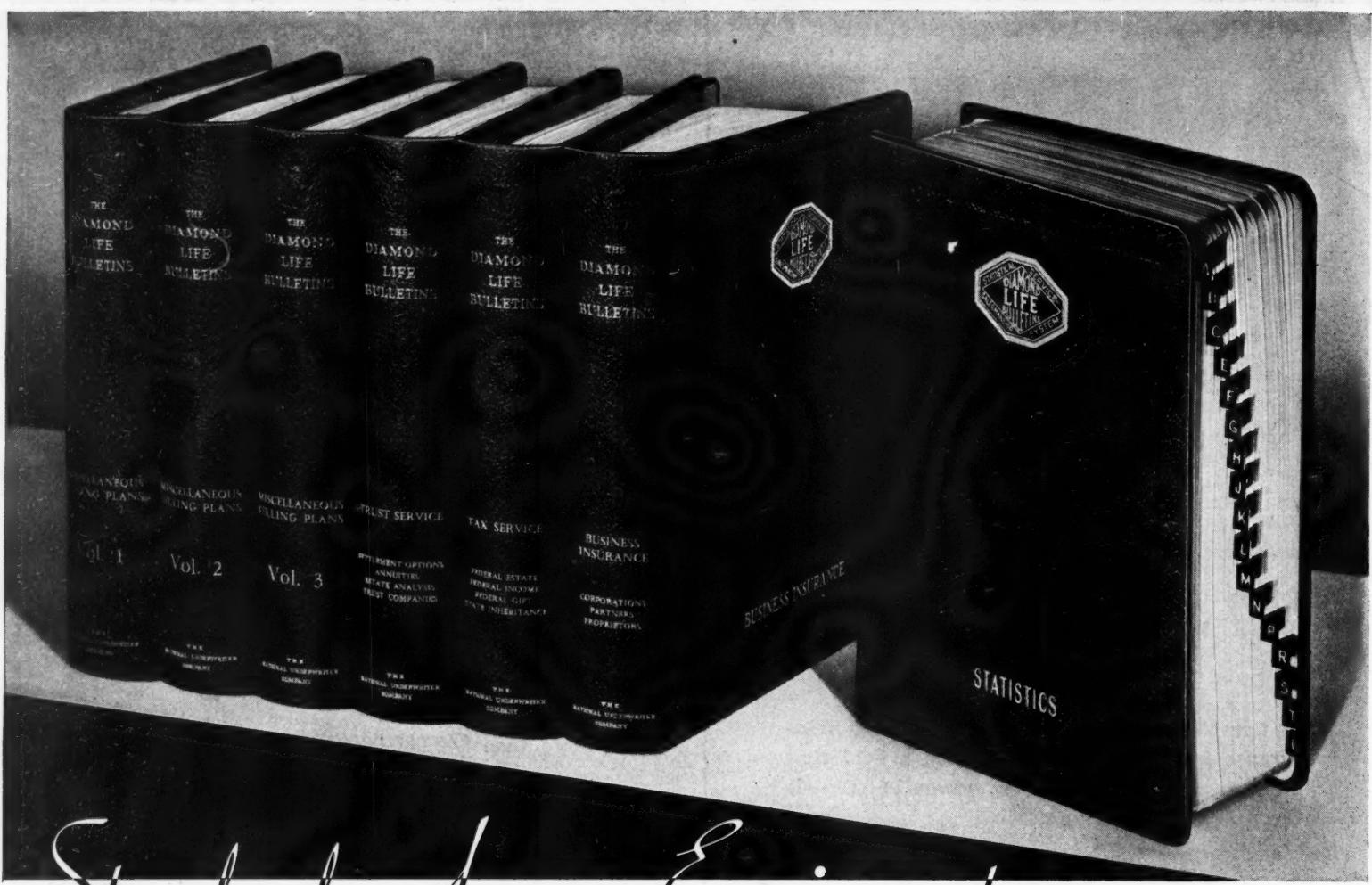
And in each of these momentous events in the life span of people, life insurance plays a vitally important part. Our job is to see that it plays even a more important part. It is almost a sacred duty that the job is well done.

\* \* \* \* \*

For agency information address  
**THEODORE M. SIMMONS**  
Manager U. S. Agencies  
**PAN-AMERICAN LIFE INSURANCE COMPANY**  
New Orleans—U. S. A.

C. H. Ellis, President

E. G. Simmons, Vice-Pres. & Genl. Mgr.

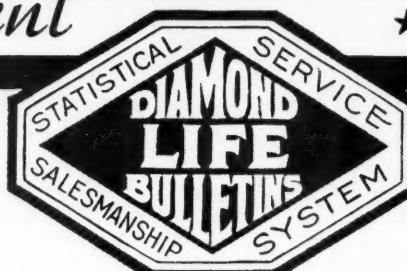


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